RETHINKING THE DETERMINANTS OF CORRUPTION: A PATH-DEPENDENT EXPLANATION IN THREE FORMER SOCIALIST COUNTRIES OF CENTRAL AND EASTERN EUROPE

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Abstract

The current paper sets forth a path dependent explanation of corruption. In this scope, an in-depth comparison between Romania, Slovenia and Czechoslovakia (Czech Republic of interest here), three former socialist countries from Central and Eastern Europe, will be carried out. In order to explain different corruption levels observed among these countries a causal model that encompasses four interdependent variables is proposed. More precisely, the study argues that corruption depends to an important extent on the quality of political competition in the post-socialist political systems. In its turn, political competition will be seen as a function of the type of the former regime, the opposition strength in the moment of extrication and of the transition mode embarked by a certain country.

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Foreword

For the last two decades many researchers have been addressing the issue of emerging transformations in transitional democracies within Central and Eastern Europe. The main focus was on former regimes types and their characteristics, political institutions, cleavage structures and economic makeover in relation to democratic consolidation and quality. Less tangible things but of equally high significance for democratic development - such as corruption and its causes - were initially disregarded or approached in a superficial manner due to their very nature.[1] Nevertheless, due to its systemic spread within the region during the socialist regimes and after their fall as well and due to its potential to hamper democratic and economic transformations it would have been impossible to put aside such an issue when considering future outcomes within the region. Therefore, corruption was rapidly set on top of the democratic agenda and as a consequence the phenomenon animated many academic interests especially after first transition years. By now corruption is seen and largely accepted within the academia and among practitioners as an essential factor for the (un)successful onset and development of the new democratic regimes in this part of the world and elsewhere too. For these reasons and for many others, the current study will address the issue of corruption and its causes within the context of Central and Eastern Europe.

[1]The issue of corruption was considered very difficult to be tackled down within academic research (due to methodological reasons), as long as many times perceptions were and still are the only things that we have in order to measure it.

Introduction

Why some democracies are more corrupt than others and most important, what is the impact of various mechanisms that contributed to such developments are important questions within the literature on corruption. Along these lines and within the context of Central and Eastern Europe, the current paper sets forth a twofold interest in corruption: first, *why do countries that emerged from communism with many common legacies experience now remarkable differences in terms of corruption?* In this sense the current paper focuses on three former socialist countries within the region: Romania, Czech Republic and Slovenia. Such a limited number of cases restrict our ability to infer and to extrapolate on the entire universe of post-communist countries. However, the in-depth comparison conducted among our cases will allow us to explore the causal mechanisms that translate initial differences along the independent variables (socialist legacies, transition modes and quality of political competition), into different outcomes along the dependent variable (corruption).

Second, *what were the mechanisms that contributed to such a variance of corruption levels among these countries?* In this respect the current study will assert that some legacies of socialism and post-socialism will determine to a certain extent the levels of corruption observed within our countries. Therefore a path-dependent analysis will be carried out. However, it should be mentioned that along the process, attention will be given to actors' strategies and actions as well. Consequently the argument will not be entirely deterministic.

Not rarely research was prompted towards these directions but many times a limited understanding of such issues was the case as the causal mechanisms that were set forward by various analyses were either to narrow or too mechanical. Furthermore, when corruption and its causes were concerned within region, almost with no exception explanations have been sought in the cultural heritage, institutional framework or most frequently in the level of

economic development. And this was mostly done by using highly quantitative methods and by proposing one-faceted causal models (see Johnston 1999).

Along this lines, informal social networks and negative social capital built during socialism as an unintended consequence of the former regime were many times core variables held responsible for the current corruption levels observed within the region (see Mihaylova 2004). Also, it has been argued that the difficult and precarious economic circumstances that characterized most of the countries from Central and Eastern Europe in the moment of rupture with the former regimes and during the transition process as well, were the causes that decisively contributed to high corruption levels in the region. Within this framework corruption was considered the only mean available in order to cope with the failures of the new democratic governments.

However, it seems that the type of relation we face between our variables in these cases is neither plausible nor very robust. If culture and the socialist heritage are the only ones to be blamed for corruption than it means that nothing can be done in order to change the current state of affairs. As in terms of economic development, it may be true that corruption is associated with lower levels of development but in the same time, it is equally true that corruption, on its turn is linked with dead weight losses on society (see Mauro 1995, Svensson 2005 and Haque and Kneller 2007). Yet, this is not to say that legacies do not count. In fact it will be seen later in this paper that to a certain extent, they do. Or, neither it is to say that economic features are irrelevant. This would be a foolish thing to do. It is just to acknowledge that corruption is a highly complex phenomenon and therefore, when it comes to its causes a more contextual and less mechanical puzzle of causality should be considered.

Aware of such methodological shortages, researchers have recently turned towards the institutional explanations when corruption is concerned. Within this framework, the argument

is that some proxies of political competition, usually institutions such as party systems, cabinet stability, electoral systems or volatility are essential factors in explaining corruption and its levels. More precisely, it was asserted that "…corruption depends on the effectiveness of the democratic system and that (…) a democratic system is effective when its institutional framework enhances (…) the ability of voters to monitor their representatives, to detect those responsible for unsatisfactory outcomes and to hold them accountable by voting them out of the office" (Tavits 2007, 218). It follows that political competition and high electoral accountability translate into a greater impetus to drive down corruption. It will be seen later that such a claim will be accepted by the current paper as well, especially when political competition is concerned.

However, some breaches are to be considered here as well. First, a mechanism as the one described above cannot be taken for granted as it fails where voters and parties share loose linkages outside of elections and this is often the case in the post-communist countries from Central and Eastern Europe (Grzymala-Busse 2004, 4). Second, many times political competition is a blurred and underspecified concept. As a result, the various indicators used as proxies often proved incapable to explain the differences observed among countries when corruption is concerned.[2] Third, such an approach is still too mechanical as long as there is almost no emphasis on the context or on the process through which certain systemic features developed and impacted corruption over time.

Therefore, the impression is that approaches on corruption as the ones briefly described and discussed above cannot stand alone for the variance in the levels of corruption observed in the former socialist countries from Central and Eastern Europe and neither can they clarify what was the impact of various factors (e.g. legacies, transitions) on these levels.

[2]For example, Romania should have lower levels of corruption than Poland does if we consider that it is characterized by lower volatility, a less fragmentated party system and fewer coalition governments.

As already mentioned, this is not to say that such explanations are not valuable and significant for the issues addressed within the current paper. It is rather to stress that establishing a causal mechanism when the issue of corruption is concerned is a highly complex task due to the fact that it is almost impossible to find a single variable which can be held responsible alone for the meaningful distinctions observed among countries.

For all of the above reasons, the current paper will develop an explanation of corruption and its levels from a rather different perspective. More precisely, a contextual and procesual causal model which encompasses four interdependent variables is proposed in order to explain different corruption levels observed within our countries: Slovenia, Czech Republic and Romania. Thus, the argument of this study is that political corruption depends to an important extent on the quality of political competition in the political system. However, this variable is strongly influenced by the type of the former regime, the opposition strength in the moment of extrication and on the transition mode embarked by a certain country. In a nutshell of the argument, different outcomes in terms of corruption are likely to come out in the future if different regime types, dissimilar transition modes and consequently, divergent patterns of political competition are to be the case among our countries.

The study will follow on one hand, Munck and Leff's (1997) argument that legacies and transitions matter due to the fact that they generate fairly durable patterns that affect post-transitional regime, politics and outcomes. On the other hand, the approach will be in line as well with Vachodova's (2005) argument that the quality of political competition at the critical juncture of regime change, determines the initial political trajectory of the new democracy and its future outcomes. The contribution of the current piece to these arguments and to the vast literature on corruption already in place is the fact that introduces a compound and less mechanical causal mechanism (with an emphasis on the context and the process) in order to

explain corruption. Even more, indicators that were many times either addressed separately or only watched upon at a specific point in time ("snapshots") in rapport to corruption, are now encompassed within a more sophisticated, dynamic and hopefully more comprehensive independent variable - "quality of political competition".

In the subsequent pages the paper will proceed in its task as it follows: in the first section, some methodological issues are to be addressed and discussed. In the second section some insights on the literature already in place will be the case. In the third section, an in-depth comparison of our cases along the variables and the indicators that we set forward is going to be carried out. Finally, in the last section the findings of the analysis will be discussed and some conclusions will be drawn.

Chapter 1: Some methodological specifications

1.1 Case Selection

First, in regards to case selection, the cases that we picked provide us with a satisfactory variance along the independent variables. Therefore we are able to capture a full range of initial conditions for the variables in which we are interested. For example, in terms of former regime type our cases differ on a continuum from the most Stalinist (Romania), to a rather closed one (Czechoslovakia, especially after 1968) and finally, to a rather liberal regime (Slovenia). The transition modes varied as well from extrication in Slovenia, to rupture in Czechoslovakia and some sort of social revolution in Romania. Additionally, different patterns were observed among the cases along the others variables as well. In this sense we had a reformed communist party in Slovenia while In Czechoslovakia and Romania this was not the case; we also had communists that were overthrown from power in the first elections (Slovenia and Czechoslovakia), while others stayed in power (Romania).

At the same time, cases share essential similarities and we are therefore able to control for some factors when trying to explain the variance in the corruption levels. More precisely all three countries undergone a socialist regime, all undertook a democratic revolution followed by a process of democratic transition and slightly excepting Slovenia, they departed from the former regime in the same period. Furthermore, all the countries are seen as relevant cases within the literature on socialism, legacies and democratic transitions and, it can be said that all have a "similar" pair within the countries from the region that were not considered by the current study: Slovenia with Hungary or Poland, Czech Republic with Slovakia and Romania with Bulgaria.[3] Finally, accessibility to data and the fact that all of them are ranked

[3] See in this sense Vachudova (2005) and Offe and Preuss (1998)

as consolidated democracies by various indexes[4] were also reasons for discriminating in their favor.

1.2 Corruption measurement issues

Second, studying corruption in itself is difficult as corruption is an inherent secret phenomenon. It follows that he access to data poses difficulties as already mentioned. So, is difficult to be sure that indeed we measure what we really want to measure. For this reason questions about validity and reliability can be raised against a study on corruption. In our quest to avoid as much as possible such an issue the current paper will use two different indicators to measure the degree of corruption in different countries. First, we will rely on the Corruption Perception Index (CPI) provided by Transparency International (TI) which although has some limitations (measures perceptions) is still widely accepted as one of the most reliable indicators on corruption.[5] Second, we will use as a complement the indicator on corruption provided by Kaufmann, Kraay and Mastruzzi as this indicator provides us comparative data at different moments on time, for quite a long period (1996-2008). Both place our countries on very similar positions.

However, as the current analysis will emphasis on a qualitative approach, more precisely an in-depth "small n" comparison with most similar cases, mainly carried at a macro level, measurement issues should not pose such a big threat on the validity of the study. Therefore, having made these specifications, we can now advance to the next section.

[4] See Freedom House: http://www.freedomhouse.org/template.cfm?page=439
[5] See fore a more detailed discussion in this sense, Andersson (2002)

2. Literature review

2.1 On Corruption

> *"…a virtuous man would never mix his private interest with the promotion of the public good."*
>
> (Aristotle)

Although corruption in one form or another has always been with us (Bardhan 1997, 1320), the issue is still a controversial one especially due to its elusive character. Therefore, as Morgan (2001) states, the attempt to develop a single definition of corruption is a "tortuous" and "unrealizable" task. It follows that corruption is rather "a bag of concepts" (Offe 2004, 77) than a precise notion. As a consequence, in order to pin it down we will assess critically - in the following paragraphs - some of its meanings and definitions that are to be found within literature.

Most of the times, corruption is defined as the "abuse of public office for private gains"[6] mainly due to the fact that such an approach is rather objective, stable and simple. It is also empirically convenient. Another frequently used and quite similar in nature definition of corruption is the one provided by Nye:

> *"Corruption is behavior which deviates from the formal duties of a public role because of a private-regarding (personal, close family, private clique), pecuniary or status gains; or (which) violates rules against the exercise of certain types of private-regarding influence."* (Nye 1967 in Mari-Liis 2004,8)

However, such an approach of corruption can be problematic due to its legalistic nature. In this sense, a twofold argument can be made. First, the emphasis is on the violation of rules by the public official and as a consequence concepts such as "corrupt" and "illicit" are often used interchangeably (Bardhan 1997, 1321). Nevertheless, it should be stressed that sometimes rules and laws can be corrupt by their very nature or that, not all illegal

[6] Traditionally, World Bank and Transparency International approach corruption from such a perspective. However, many others within the literature (e.g. Shleifer and Vishny 1993, Heidenheimer 1999, Rose-Ackerman 1999, Appel 2001, Mari-Liis 2004), take on such a standpoint when addressing the issue.

transactions are necessarily corrupt nor are all instances of corruption illegal.[7] Second, legal norms favor nominal meaning to the loss of social significance. Consequently, laws are not likely to reflect the ethical standards of the whole society, but rather of a particular group, namely the elite. Therefore, many times, the understanding of the elite and the mass differs when it comes to corruption[8] and such an issue should be at least confusing if not problematic when circumscribing the phenomenon.

From another perspective, corruption is defined with an emphasis on the concept of "public interest" and the best portrayal in this sense is the one of Carl Friedrich:

> *"The pattern of corruption can be said to exist whenever a power-holder who is charged with doing certain things, (…) who is a responsible functionary or officeholder, is by monetary or other rewards not legally provided for, induced to take actions which favor whoever provides the rewards and thereby does damage to the public and its interest."* (Friedrich 2009, 15)

Within such a framework, corruption necessary conflicts with the common interest of the citizens. Therefore, it follows that corruption is by nature "immoral" and universal in its nature and forms. However, like in the previous case, the explanation of the phenomenon is problematic for several reasons. First, although corruption is often unethical, unethical behavior is not necessary corrupt due to the fact that ethics is a more general concept.[9] Consequently, the borderline between corruption and ethics is unclear and complex causing additional confusion in understanding corruption (Mari-Liis 2004, 9). Second, the concept of "public interest" is a tricky issue due to cultural relativism. It follows that a behavior which in one place is perfectly acceptable and in conformity with general social norms may be seen as corrupt and conflicting with the generalized social consensus in another place (Wallace and Haerpfer 2000, 3). Furthermore, who defines "public interest" and how it is defined within different regimes is a delicate issue as well. Thus, it should be a risky thing to treat corruption

[7] For more details and a brief discussion in this sense see Brandham (1997) and Offe (2004).
[8] See in this sense Gibbons 1989 in Anderson 2002:39 and Heidenheimer et al. 1989 in Collier 2002:10.
[9] For a brief discussion in regards with this issue see Brandham 1997 and Mari-Liis 2004.

as essentially the same thing wherever it occurs and even more important, to impose essentially the same explanatory model upon it (Johnston 1999, 1). Finally, from such a perspective and by keeping in mind that "corrupt" does not necessary equals "illicit", illegal actions can be justified as long as they promote the "public interest" (Andersson 2002, 28) and as well, corruption can be accepted if it does not harm the common interest. However, this is clearly a double standard - in judging a corrupt behavior – which places us within the "grey area" where it's the most difficult to distinguish the essence of corruption.[10]

One last relevant standpoint encountered within the literature in regards to corruption is the market or the economic view on the phenomenon.

> *"A corrupt civil servant regards his public office as a business, the income of which he will seek to maximize. The office then becomes a "maximizing unit". The size of his income depends upon the market situation and his talents for funding the point of maximal gain on the public's demand curve."* (Van Klaveren 1978 quoted in Philp 1997, 444)

Such an approach of corruption is based on the "principal - agent theory". More precisely, an official ("the agent") entrusted – by the public/citizens ("the principal") - with carrying out a task, engages in some sort of malfeasance for private enrichment which is difficult if not impossible to monitor for the "principal" (Brandham 1997, 1321). It follows that corruption is a rational behavior of maximizing profit by a public official. However, some critiques can be raised against this stance as well. First, other costs of corruption than the economic ones – like moralistic costs - are neglected (Mari-Liis 2004, 10). Second, Meny and de Sousa (in Mari-Liis 2004) argue that the rules and the laws binding public and elected officials are distinct from those applicable to market actors. And, if we keep in mind the strikingly different performances and the very diverse officials' behavior regarding corruption even among similar countries than it seems that such arguments should be considered. Finally,

[10] An act of corruption should be considered as such due to its very nature and not by taking into account how many and who suffers (or gains) as a consequence.

one more critique to this neo-institutional approach is the lack of proposed solutions for controlling corruption (Prendergast 2000 in Mari-Liis 2004, 10).

Such a debate as the one on defining corruption is difficult if not impossible to be settled down and as a consequence we should choose one of the definitions which suits best our interest. Therefore, for the purpose of the current paper, corruption will be defined as *the bilateral act characterized by the voluntary and deliberate abuse of public office/roles and power for private benefits.*[11] As already mentioned, such an approach is empirically convenient due to its objectivity and simplicity. Additionally, it combines to a certain extent the features of all the theories discussed in the previous paragraphs. As concerning appropriateness, although we recognize that terms such as "public", "abuse" or even "benefits" can be disputed we assume that enough activity fits this definition in the countries/cases concerned within the current study in order for us to depict the phenomenon with a high degree of confidence (Johnston 1999, 6).

As well, it should be obvious - from the meaning given to corruption here - that the current paper will emphasize on the public dimension of the phenomenon similar with most of the theories and researches in the field. In this sense three types of corruption are of particular interest. First, "petty corruption" involves the regular sale of services and approvals by low level officials to private actors (Toma 2006, 6). Second, "grand corruption" occurs when a high-ranking official abuses his authority in order to reap significant monetary benefits (Moody-Stuart 1997 in Toma 2006, 6). Third, "state capture" is a constant process aimed at influencing in a biased manner the adoption and imposition of regulations (Philp 2001 in Mari-Liis 2004, 12). Although within the literature these types are approached separately, for the purpose of the current paper they will be merged under an umbrella concept of "political

[11] The meaning given here to the concept combines the first approach on corruption mentioned within the current section with some aspects of the definition provided by Offe (2004). Offe's features were added for a more comprehensive and precise confinement of the phenomenon.

corruption" (hereinafter referred as corruption), which is being given the following understanding:

"Corruption is political corruption if at least one of the two actors belongs to the public realm, widely understood. That is to say, the person must hold a public office or an electoral mandate or perform a professional service the execution of which is supposed (…) to be guided by public-regarding and universalist considerations." (Offe 2004, 78)

2.2 On Democratic Transitions

"… the path to democracy is mined. And the final destination depends on the path."

(Adam Przeworski)

In a very broad sense, transitions can be defined either as strategic situations that arise when a dictatorship collapse (Przeworski 1991, 37) or as periods of regime change (Munck and Leff 1997, 343). Consequently, they are formative and founding moments (Munck and Leff 1997, 343) as they shape and establish to a certain extent the future development of the new democratic regime. Nevertheless, it should be stressed that although essential for future outcomes, transition is only a phase within the more complex process of democratization.[12]

According to O'Donnell (1988) the main feature of this stage is that institutions of the old regime coexist with those of the new regime and authoritarians and democrats often share power, whether through conflict or by agreement. Therefore transitions are regarded as periods of great political uncertainty (Lee 2007, 103) but as well of significant relevance as long as they are associated with the institutionalization of the democratic rules. In terms of classification, different criteria (e.g. relative actor strength, primary agents of change, degree

[12] This is very much in line with O'Donnell and Schimitter (1986) who see democratization as a complex historical process, consisting of several stages one of which is transition.

of control exerted over the process by the outgoing rulers), are used to categorize modes of transition.

In this sense, Mainwaring (1992) concentrates on the relative power of actors within the process and identifies three paths of transition which vary from liberalization to democratization: transition through transaction, transition through extrication and transition through regime defeat. According to him within the transition through transaction the authoritarian government of the former regime initiates the process of liberalization and remains a decisive actor along the entire process. When extrication is the case, the authoritarian government is weakened, being therefore in a less powerful position to negotiate the crucial features of the transition process than in the case of transaction. Finally, a transition through regime defeat is characterized be the defeat of the authoritarian regime followed by the inauguration of a democratic government.[13]

Other scholars emphasize the substantial role of political elites and their strategies in the process of transition. In this sense, many times a "political pact" agreed among elites during the transition process is seen as the most successful strategy towards democracy. Along this line, O'Donnell and Schimitter (1986) assert that although such pacts are usually temporary solutions, there is still a high possibility that some of their elements to become "the law of the land" in the future. Even more, using Latin America for illustration, they show that there are few chances for a democracy to succeed if it does not originate in a pacted transition. Furthermore, supporting this line of thought, Karl (1995) also asserts that pacted democracies may be more flexible regarding future bargaining and the revision of existing arrangements while democracies imposed by a single dominant group offer less room for democratic outcomes. As it will be seen later, Karl's argument will be useful for the purpose of our

[13] For a more detailed discussion see Mainwaring 1992:332 from where this brief portrayal was extracted.

analysis. However, one thing should be mentioned in regards to this view on transitions. Political pacts are not always prone to success as long as they can face major difficulties or they even may be impossible due to a specific context or certain legacies encountered within a certain country.[14]

One last approach on transitions mentioned here is the one of Munck and Leff, which defines the mode of transition as a function of the identity of the actors who drive the process ("agents of change") and the strategies they employ (Munck and Leff 1997, 343). In summary, seven modes of transition (reform from bellow, conservative reform, reform through transaction, reform through extrication, reform through rupture, revolution from above and social revolution), are identified as a result of different combinations along the two variables considered.[15] For the scope of this paper such an approach is well suited and therefore, we will make use of it when the issue of transition modes will be considered within our sample. The option made for such an approach can be justified with a twofold argument. First, in order to link certain legacies of the former regime with the transition process it would be useful to look not only at the actors that take part in the process but to their power and available strategies as well. Second, establishing an association pattern between a certain transition mode with its consequences on the "departure" with the former regime and some future outcomes – of which corruption is of interest here – would be more convenient and robust if we adopt such a view on transitions.

2.3 Other relevant concepts

It is worth mentioned here that, some other concepts are of relevance for the current study. Among them one can mention: path-dependency, extrication and legacies. Although not discussed in detail within the current section due to their ease, for the scope of

[14] Such an argument is very much in line with Hagopian's view (1990) on the democratic transition in Brazil.
[15] For more details see Munck and Leff 1997:344-346.

completeness, they are to be provided with brief definitions in the following paragraphs as follows:

First, within the current analysis *path dependence* will be considered to be the process through which a set of decisions that one has made in the past, becomes relevant for a set of decisions that one faces in the future. More precisely, it will be hold that to a certain extent future outcome are to be a function of some effects of past actions or decisions. Second, for the scope of the current study, *legacies* are to be considered (in line with the previous definition), as effects or outcomes of some past actions or decisions that shape to a certain extent future outcomes (of which corruption levels are of interest here). Finally:

> *"Extrication means the countries' disentanglement from the main political properties of communist regimes (…); Hence, this period started out when the regime was challenged for the first time in full public view by opposition groups, however small, weak and disorganized they may have been; (…) The period ended (…) immediately after the first free election."* (Offe and Preuss 1998, 48)

Chapter 3: Carrying out the analysis

3.1 Convergence vs. Divergence

In the fall of the 1980s history had its vengeance. By then, socialism was in place in Central and Eastern Europe for approximately half of a century or even more in the countries that made up the core of the USSR (e.g. Russia, Ukraine and Belarus). However, there was no way even for such an embedded and long standing system to stand in the way of the dramatic transformations that were set off by the "magic year" of 1989. In less than two years, almost all over across Central and Eastern Europe party-states and centralized economies disentangled in a process of "Leninist extinction" (Jowitt 1992 quoted in Ekiert and Hanson 2003, 1). Therefore by June 1991, Poland, Hungary, East Germany, Czechoslovakia, Bulgaria, Romania, Croatia and Slovenia pledged their future to democracy. The very first impression in Fukuyama's terms was that history came to its end. Therefore the answers to the questions that were on everybody's lips (where had they come from and, more important, where were they going?), was at a first glance the same for all of them (Vachudova 2005, 1). All should move with comparable sturdiness towards building liberal democracies and market economies as long as they were sharing a common experience with communism.

Thus, convergence was predicted on behalf of a common past. And indeed, a mere look in the past reveals us many experiences shared by all of the above countries. One-party rule in the politics, a centralized and planned economy, atomization in society, ideologization of the public sphere, full employment, an overwhelming system of social benefits and an apparatus (police) that held the system together through terror and repression were only some of the features that characterized all the socialist states from Central and Eastern Europe.[16] Thus it seemed that the countries that departure from communism in the fall of 1989 and the

[16] See for more details Ekiert and Hanson (2003), Volgyes (1995), Vachudova (2005), Offe and Preuss (1998), Mendelski (2008) and many others.

onset of the 1990s would pursue fairly identical paths in the future as a result of their common past.

However, the region has reemerged as a mosaic of rapidly diverging societies (Ekiert and Hanson 2003, 2 – in Ekiert and Hanson 2003). By 1995 the region went from nine states in 1989, to twenty-seven.[17] The spectrum of the political outcomes was strikingly different among these countries: from consolidated democracies to consolidated authoritarian regimes and everything in between (Vachudova 2005, 2). Even more, the economic reforms were heading in different direction as well. While some of the countries (e.g. Poland, Hungary, Slovenia, Czech Republic, Croatia etc.) engaged in a convincing manner on the road towards market economy, others (e.g. Romania, Bulgaria, Slovakia, Ukraine, Belarus etc.) refused to pledge themselves to early market reforms such as liberalization and privatization.[18] Consequently, it was no surprise that remarkable different rates of economic growth were the case across the region only few years after the emergence of the new regimes.[19] Apparently, diverse democratization patterns were already set. While some of the countries were moving forward towards political stability, rule of law, democratic rights and freedoms, transparency and accountability others succumb to violence, ethnic nationalism, corruption and increasing poverty.[20]

Therefore, divergence rather than convergence was to be observed all around the region. The initial appearance of uniformity was to be questioned now. And apparently, an essential question was not asked by the ones who were preaching convergent outcomes when

[17] The initial nine states were: Soviet Union, Poland, Hungary, East Germany, Czechoslovakia, Bulgaria, Romania, Albania and Yugoslavia. For the whole list of the twenty-seven post-communist states in place in 1995, see Vachudova (2005: 12).
[18] See Freedom House (1998) scores on economic liberalization in Vachudova (2005: 20).
[19] For a very good and brief exemplification in this sense see Frye (2002: 317)
[20] See in this sense Kaufmann, Kraay and Mastruzzi (2008), Johnston (1999: 16). For a set of indicators that differentiate the countries see as well Freedom in the World Comparative and Historical Data: http://www.freedomhouse.org/template.cfm?page=439

the development patterns of the new regimes were concerned: is the common past shared by the former socialist countries from Central and Eastern Europe, a similar past as well? Obviously the answer was that although common in their nature, the communist regimes enveloped and transformed in many different ways the countries within the region. The issue of legacies was now raised and a thorough process of looking proofs in the socialist past for the diverging trajectories embarked by the countries of Central and Eastern Europe during post-communism was now the trend. The argument set forth was that differences during communism will lead to different outcomes after its demise. Other words said differences from the past matter in the future.

We know by now that the argument of this paper will proceed along this line as well. To restate, we argue that the variance of corruption levels among our countries has its sources in the different legacies of the former regimes undergone by each of these countries. Therefore, our analysis of corruption must look to some essential features that characterized the socialist regimes of Romania, Czech Republic and Slovenia and, to what actually was in place in these countries at the moment of extrication. However, it is a truism to say that the present and its continuation into the future are determined by the past due to the fact that post-communist societies have multiple pasts (Offe and Preuss 1998, 35). Even more, as already mentioned, restraining the approach to such a radically stance will contradict our critique on determinism. For these reason, the investigation carried out within the current section will pay considerable attention as well to the choices made by strategic actors in various critical moments of the unfolding process of change (Ekiert and Hanson 2003, 2). The belief is that pointing the role of the choices made by actors during the national extrication process could have a decisive role for the course taken by future outcomes.[21] Therefore it follows that the

[21] This is very much in line with the argument of Bruszt and Stark (1991) when analyzing the political field in post-communist Hungary.

current examination will concentrate in the subsequent paragraphs on how and to what extent socialist and transitional legacies on one hand and actor's strategies, actions and choices on the other hand, shaped indirectly the corruption patterns observed within our countries through some early outcomes of the new regimes.

In order to depict this causal mechanism four variables are set forth for the scope of this analysis: type of the former regime (in terms of openness/liberalization); the quality of political and civic pluralism; transition mode and quality of political competition in the new regime. We proceed in the following manner: first, regime types are to be discussed along two dimensions – the extent to which the former regime allowed dissent and migration. Second, political and civic pluralism will be assessed according to the criteria of its existence and, of the power enjoyed by the opposition forces during the regime but most important, at the moment of rupture. Third, transition modes embarked by our cases will be addressed. The emphasis will be on the identity of the agent of change and on its strategy. Fourth, the pattern of robust political competition is to be addressed along three proxies: the results of the first democratic elections, reformation (or not) of the former communist party and a pattern of robust political alteration[22]. Finally, the findings will be put together to construct our causal mechanism who's relevance will be addressed in relation to our dependent variable.

3.2 Former regime types: "voice" and "exit"

In the political realm on which we are mainly interested here, the communist takeover meant the installation of autocratic regimes all around the region. In regards to our cases, such regimes persisted until 1989 in the case of Romania and Czech Republic or even 1991 in the case of Slovenia. However, although common in nature the socialist regimes exercised their rule in different ways and differed in terms of strategies embarked towards stabilization and

[22] Five or six ballots (depending on the country) were used to pin down a pattern for political alteration in power. See in this sense for the exact tables, Vachudova (2005: 60-61).

legitimation (Offe and Preuss 1998, 42). In this sense, probably the most striking differences among the countries within region were to be observed along two dimensions: the extent to which dissent was accepted and accommodated ("voice") and the extent to which migration was allowed ("exit").[23] Consequently, we will focus on these features in the following paragraphs when trying to assess the particular character of the former regimes endured by our countries. The assumption is that different stabilization strategies will have consequences on the degree of openness and legitimacy of the former regime.

That Romania, Czech Republic and Slovenia had very different socialist regimes in terms of openness and legitimacy enjoyed is predictable even without engaging in a thorough analysis. However, a brief in-depth examination will clearly reveal us that indeed these countries differed very much along this variable and that this had different consequences on future outcomes.

3.2.1 Romania – "dynastic socialism"[24] and totalitarianism at all levels

Although the socialist regime of Romania managed to brand itself for many years as a rebel and as the most reformist system within the region, there is no doubt by now that this was only a strategy of the communist elite to forge the very harsh reality endured by Romanians for more than four decades.[25] The only period of openness during the socialist rule in Romania took place at the onset of the regime under the rule of Ana Pauker (1944-1945) and during the collective leadership of the Romanian Communist Party (PCR), between 1945 and 1948. However, Gherghe-Gheorghiu Dej who was part of the collective leadership managed to consolidate its position within the PCR by 1948 and as a consequence he became

[23] A similar approach in analyzing the type of the former regimes was used by John P. Moran (1994) when he addressed the issues of transitional justice in the former socialist countries from Central and Eastern Europe.
[24] The term is borrowed from Tismaneanu (1985) and it is in line with the label put on Romania's socialist regime by Linz or Huntington - "sultanism".
[25] It was also a consequence of the continous strive of the romanian socialist leaders to depart from Moscow in order to established a "nationalistic communism".

de facto leader of the party. That was the moment that ended any kind of hope for a socialism with a "human face" in Romania. By 1952, all the individuals who were considered to be a threat to the regime were eliminated, imprisoned or sentenced to forced labor[26], all the institutions that were somehow functioning on a different logic than the one proposed by the new ideology were dismantled or transformed. As well, money, lands and houses were massively confiscated and nationalized in a "leveling" process[27]. Even more, after the counterfeit elections from November 1946, Iuliu Maniu, the leader of the main opposition party was sentenced to life imprisonment as it was considered a danger (Callagher 2004, 65).

The year of 1965 marks the beginning of a period even more draconic. Nicolae Ceausescu was designated the leader of the Romanian Communist party after the quick, and surprising death of Gheorghiu Dej.[28] Ceausescu's vision was that he should remain in the history books as one of the greatest leaders of Romania no matter what. Consequently, what was in place at the fall of the 1980s is a regime special by nature due to the fact that it was the only regime in which not the party and its historical mission but the individual leader was the source of the authority (Huntington 1992, 581). Such an outcome was possible due to the fact that in 1968 Ceausescu refused to join URSS on the invasion of Czechoslovakia and as a consequence, he was seen right from the beginning as a great reformist (Callagher 2004, 75). Therefore, there was a lot of space for maneuver. An indeed the transformations of the regime under Ceausescu were major especially in regards to leadership and opposition. All the commercial ambassadors from around the world became secret agents, the state secret police (Securitatea) was transformed in an apparatus of repression and continuous surveillance and most important, all the opposition was eliminated, all the intellectuals that were not praising the regime were imprisoned or sentenced to force labor and ethnic persecution intensified. As

[26] See for some proofs, Tom Gallagher (2004: 63-65).
[27] See for a more detailed discription in this sense, Robert Lee Wolf (1974).
[28] For more details on this issue see Pacepa (1999) and Deletant (1995).

the borders were sealed, only a few manage to escape and even so they often had a "shadow" abroad as well.[29]

Obviously, there was no way for "voice" in such a regime. While "exit", as already mentioned, was a sporadic occurrence as well and never officially accepted or recognized. It follows that regime legitimacy could not have been the case as long as from all the countries within the region the harshest repression was carried out in Romania (Preuss and Offe 1998, 42). The conclusion is that the socialist Romania was a highly oppressive and closed regime that neither allowed "voice" nor "exit" and which enjoyed a low legitimacy as a consequence.

3.2.2 Czech Republic – somewhere in-between

Within the literature Czechoslovakia (with Czech Republic of interest here), was often hold as a closed or "stalinist" regime especially after 1968 and for this reason it was compared with Bulgaria in terms of openness (Offe and Preuss 1998, 42; Moran 1994, 101). And this was despite the fact that Czechoslovakia entered socialism with the experience of a democratic tradition. However, compared to Romania, we will see that the socialist regime from Czechoslovakia was nowhere near.

Across Central and Eastern Europe, the socialist regimes were characterized almost everywhere by alternation of distinctive periods in their nature. More precisely, phases of regime "liberalization" were followed by periods of "normalization". And this was the case of Czechoslovakia as well. Two were the periods of liberalization usually acknowledged within the literature: the 1960s and the late 1980s (see Tuma 2007, Barany and Volgyes 1995 or Ekiert and Hanson 2003). Between there were two decades of harsh normalization during which the regime of Gustav Husak and later the Jekes regime clung to the use of material incentives and of coercion.

[29] See for more details and examples Callagher (2004: 77-83) and Deletant (1995).

As Skilling (1973) notes it, the first period of liberalization was characterized in Czechoslovakia as in other countries within the region (Poland and Hungary) by the rise of the intellectuals who opposed the regime and its ideology. All around, the triggering event was the death of Stalin and the so called "de-Stalinization". In Czechoslovakia the reform momentum was called "Prague Spring" and its central figure was Alexander Dubcek (a reform minded member of the Communist Party of Czechoslovakia - CPCz) who promised "a socialism with a human face" as the one in Yugoslavia. However, the period quickly ended once with the Soviet invasion in August 1968 and after the suppression that took place in 1969. "Law and order" were now in place and two decays of what Ernest Gellner called "Stalinism with a human face" (Gellner 1993 quoted in Vachudova 2005, 27) followed. During this period many elites were forced to emigrate.[30] It seemed that "exit" was rather forced in order to make sure that the ones with different views will not endanger the regime. Even in these cases a complicated system of authorizing trips and rationing foreign currency was established for control and manipulate people easier. If we corroborate this with the first period of normalization (at the onset of the regime) when the regime isolated the Czechoslovak population almost completely from the West it is clear that "exit" was either sporadic, or forced and tightly controlled. Such a pattern had negative consequences on the "voice" as well: "the mass exodus in the wake of the Prague Spring and afterwards led to a lasting weakening of the oppositional potential for the future" (Preuss and Offe 1998, 42).

Therefore, in the late 1970s and early 1980s repression against dissidents reached its peak with many being imprisoned, forced to leave the country or to accommodate with the regime (Tuma 2007, 5). The only significant "voice" that was to be sizable until second part of the 1980s was Charter 77, an anti-communist manifesto initiated late in the 1970s; a milestone that signaled the (re)creation of a new opposition (Tuma 2007, 1) and which

[30] See for proofs Havel (1986), Offe and Preuss (1998: 42), Vachudova (2005:27-28) and many others.

constantly reminded the regime in the following years of its violations of the human rights. All the other opposition forces were rather "a set of (…) diverse and fragmented organizations" (Bruszt and Stark 1992 in Preuss and Offe 1998, 53), but forceful and ethical ones, with more and stronger echoes of support in society and abroad in the last socialist decade of Czechoslovakia (Havel 1986 in Vachudova 2005, 28). Yet, somehow by mid 1980s "voice" was there more than ever and less and less in the shadow[31]. However, neither was strong enough to determine the regime to open and reform earlier as in Poland, Hungary or Slovenia, but nor was weak or inexistent, with no claims to be made on the regime, as in Romania and Bulgaria.

3.2.3 Slovenia[32] – the socialism of self-management

The communist past of Slovenia cannot be considered outside the framework set forth by the existence of Yugoslavia. However, Yugoslavia was rather a construct than it was a natural state (Kovacs 1994, 151) and there is no better proof in this sense than its disentanglement during first years of the 1990s. It was at the onset of this period and in the years preceding it (second part of the 1980s), when Slovenia realized the possibilities open to her by a socialist collapsing system. Slovenia initially entered Yugoslavia after the Second World War for protecting its territories and culture against some of its much stronger neighbors and came out in 1991 as one of the most developed countries of the former federation. Short after that, Slovenia also proved to be "a model", one of the success stories of the transition period.[33]

Slovenia was for many years an example of socialist state in the terms of Kovacs (1994) but this changed after Tito's Constitution from 1974 which established the Yugoslav

[31] See the high number of "samisdatzs" in late 1980s and the continous student demonstration that started in 1988 and ended in November 1989 as a symbolic general strike – "revolution on the lunch hour" (Munck and Leff 1997, 355).
[32] The analysis of the Slovenian socialist regime is mainly depicted from Rizman (2006) and Ramet (2008).
[33] For some evidence see Rizman (2006: 25), Ramet (2008: 223-248) and Frentzel-Zagórska (1993).

confederation with all republics having the status of quasi-nation states. From this moment, Yugoslavia as a whole and Slovenia in particularly differed greatly from the Soviet Union in terms of internal political organization due to the fact that it was less centralized and less rigid (Rizman 2006, 26-27). More precisely, Slovenia committed itself to a continuous tendency to bypass Moscow and Belgrade especially during the 1980s (Szporluk 1998, 314-317). However, the socialist regime was challenged by opposition forces in Slovenia, before this moment as well.

In fact the 1974 Constitution came of an already "liberalized" ground in Slovenia. The Slovene Communist Party opened the regime and favored greater political pluralism within the existing political organizations in place and economic reforms. The central figure of this period was Stane Kavcic who was finally dismissed in the second part of the 1970s by the conservatives of the party. Some sort of a "normalization" period followed which came to its peak in mid 1980s after Tito's death and Slobodan Milosevic's arise in power. However, actions like the "Memorandum" which imposed on the republics a renewed process of centralization had limited effect on Slovenia. Even more, by 1986 Milan Kucan (a liberal communist) came in power in Slovenia and as a consequence Slovenia firmly engaged on the road towards democracy. The regime and the Slovene Communist Party became highly legit as a consequence.[34]

Along the political elite which was mainly liberal and reformist, educational and cultural elites and movements took (during the 1980s) a vocal stand and a firm position in front of Serbia's centralist and nationalistic claims. In this sense the "punk" culture that emerged in 1977 and which was constantly challenged the regime (Tomc 2003 in Rizman 2006, 51), the niche fields and venues (Gantar 1994 in Rizman 2006, 53) that developed within society and

[34] See in this sense Rizman (2006: 41-43).

various cultural and scientific associations that emerged in the 1980s contributed to a vivid "civil society" and to the creation of a pluralistic political framework. And these new features of the society were accepted by the regime with ease when compared to Romania and Czechoslovakia. Therefore, Slovenia was indeed a form of "socialism with a human face" by allowing and sometimes encouraging both, "voice" and "exit".

3.3 Opposition power

The argument that we set forth at the onset of this section is that the character of the communist regime, determines to an important extent the existence of opposition forces and most important, the power that these forces enjoyed in the moment of extrication of the former regime. Other words said, the assets and the liabilities of the counter-elite are a function of the former regime type. More closed the regime was, weaker the opposition. It follows therefore that the socialism with a human face endured by Slovenia should produce a far more significant and consistent opposition in the moment of rupture than the semi-Stalinist regime from Czech Republic. As regarding Romania, opposition should have been a taboo from the very beginning of the regime until its fall. In this sense only a brief assessment will be carried out in the following paragraphs as some of the relevant features for such an analysis were already identified in the section on regime types.

3.3.1 Romania[35] – a wasted opposition

As already mentioned the socialist regime of Romania, mainly under Ceausescu, was the most oppressive one among our countries and within the region as well. With almost no periods of liberalization (maybe excepting the so called "cultural revolution" from mid 1970s) and with a thorough effort of the "Securitate" to eliminate or reduce everybody and everything that stands in opposition to the "great dictator", opposition in Romania in the fall

[35] This description is mainly inspired from Callagher (2004: 111-115).

of the 1980s barely existed. Even more, both, the ones that had the courage to stand against the repression and the ones who in the last years of the regime seen the opportunity in doing so were barely organized or supported by society. This was mainly because their "voice" was never allowed or in the best case distorted in reaching the ordinary people and because they were divided along ideological and nationalistic cleavages. Peasantry

Therefore, the leaders of the historical parties (PNTCD and PNL)[36] were either imprisoned or leaving abroad for around four decades now. Even more, the propaganda apparatus of the former regime constructed their image as national traitors in Hungary's favor, a "sin" that the Romanians were unwilling to forgive despite their hate against the communist regime. So, on one hand, these forces were incapable to rebirth before Ceausescu's death after five decades of hibernation; on the other hand, they stood almost no chance to capitalize political support after his death although they had the support of students and young writers. More, the few intellectuals that opposed the regime from within and who had a role during its fall were either to elitist or incompatible with the ordinary people in order to benefit from popular support. It doesn't worth mention that they were quasi anonymous as well due to constant censure and repression. Consequently, their oppositional potential was either inexistent before 1989 or dissipated after that moment (Callagher 2004, 114). So, the only significant opposition known before 1989 and able to gain popular support to the cost of the former regime was a group of experts and intellectuals who had their origins in the second tiers of the PCR. They declared public their opposition in 1987 and during and after 1989 they were the central figures of the revolution and the core of the National Salvation Front (FSN).[37] Lately they were referred as the ones that "steal" the revolution.

[36] The National Party of Peassantry and Christian Democrats (PNTCD) with their leader Corneliu Coposu and The National Liberal Party (PNL) with Radu Campeanu as their leader.
[37] Among them we find Ion Iliescu, the first Romanian President after the fall of socialism and the leader of the party that was the successor of the communist party (PDSR, later PSD – Social Democratic Party)

3.3.2 Czech Republic – "the power of the powerless"[38]

That the opposition forces were in general fairly weak and fragmentized in Czechoslovakia is not surprising after two decades of harsh repression during the "normalization" that started in 1960. However, this period was highly contra-productive in two reinforcing ways. First, forcing dissidents to leave the country was firing back due to the fact that dissidents had a stronger "voice" from abroad where they feared less oppression. More, allowing the youth unions to organize as "party reserves" opened the ground for the appearance of young reformist second-tier leaders. As a consequence, during the 1980's faculty-level posts began to be occupied by people who would sometimes use them to produce very daring student magazines, organize critical debates on topics that where until recently taboo (Tuma 2007, 4).

Second and most important, the harsh repression during the 1970's translated for the regime into a huge loss of legitimacy. Even more the constant violation of the human rights during the "normalization" opened the gap for new opposition forces and for a rising public support for some already known dissidents. In this sense Charter 77 and Vaclav Havel stand as good examples. Therefore, there was within society a broadly acceptance of the opposition forces as legit and moral while the regime was generally hatred. This was an essential factor in making the opposition more powerful than it really was and the regime less powerful than it should have been the case at the moment of rupture.

3.3.3 Slovenia – equal all around

In the fall of the 1980's, Slovenia was facing a much better situation than both, Romania and Czechoslovakia. "Civil society" in Slovenia was by then vivid and diverse for at

[38] This is borrowed from Vaclav Havel (1986).

least one decade. The power of the communist party was hold at least two times in that last decade by reformist leaders who most of the time accommodated and negotiated agreements with the opposition forces. The reforms initiatives came from everywhere. They had their base in cultural movements ("punk") professional associations (e.g. "Writer's Association"; "Sociological Association") or in moderate elites (e.g. Stane Kavcic, Milan Kucan). As a result, there was a constant support for pluralism and democratization in the last years of the former regime (see Rizman 2006, 43).

Furthermore, the national threat posed by Milosevic's regime increased even more the legitimacy of the communist party which by 1990 was already seen by the citizens as a usual party and actor that should stay on the political scene on the future as well.[39] Therefore, by comparison to Romania that had to deal with a regime that had almost no legitimacy and with a counterfeit opposition, Slovenia entered the critical juncture with a vivid and diverse opposition and with a former regime and communist party that both, enjoyed legitimacy and relative support. Czech Republic was also doing worst than Slovenia due to its highly illegitimate regime. Therefore, we could anticipate and expect for our countries to pursue different transitions. Consequently, we shift our focus on this direction in the following paragraphs.

3.4 Transition Modes

We have seen by now that the quality of pluralism at the critical juncture of regime change is to an important extent a function of the degree of openness of the regime. However, now we are interested if the transitions embarked by our countries are a function of the power of opposition in the moment of rupture and if they are, we should also establish to what extent is this the case. The argument to start with this section is that lower was the power of

[39] For proofs see Rizman (2006: 42) and Fink-Hafner (1992)

opposition forces, more disguised they were and lesser was the legitimacy enjoyed by the previous regime, more confrontational will be the exit. Even more, a pernicious political dynamic will be the case under the new regime (Munck and Leff 1997, 355-356). A brief look on our cases will shed some light on these issues.

3.4.1 Romania[40] – a "stolen" social revolution

As already mentioned, Romania had almost no internal or external dissidents due to the harsh repression systematically conducted by a regime of personal dictatorship. Therefore, either powerless or counterfeit opposition forces were in place (if any) in the fall of 1989. Broadly, it is accepted that the regime was overthrown due to a general popular uprising that was initiated in Timisoara (December 17, 1989) and which was supported by the army in its second stage. People revolted mainly because the regime was incapable for several years already, to guarantee and to offer them a decent standard of living. There were no round table negotiations due to the fact that there were no sides. In fact, the Revolution emanated FSN – National Salvation Front which was mainly compound by second-tier former communists, army leaders and some intellectuals. FSN was the leading force during the process of regime change and it transformed (after Ceausescu's death) with the popular support in an interim government until the first democratic elections (May 1990).[41]

However, less heroic versions state that the popular uprising was successful only because it was supported by a simultaneous coup d'éetat conducted in secret by the alienated elites of the old regimes (Verdery and Klingman 1992 in Offe and Preuss 1998, 55). These were also the elites that were the core elements of the FSN. Maybe this is one of the two reasons why Romania is the only country among the communist regimes from Central and Eastern Europe

[40] The summary is mainly depicted from Callagher (2004) and Offe and Preuss (1998).
[41] Some researchers (e.g. Przeworski 1991) consider that the first democratic elections were hold in Romania only in 1992.

which did not enjoyed a non-violent transition. For the exactly same reason the Romanian Revolution was considered to be “stolen”. The second reason is probably linked with the personal character of the regime which made it difficult for the former regime to accept surrender in peaceful terms.

3.4.2 Czechoslovakia – reform through rupture

Czechoslovakia departed from its former regime through rupture. The so called “velvet revolution” was triggered by increasing popular mobilization and unrest in response to the repression of a student demonstration in November 1989 (Munck and Leff 1997, 354). Dissidents, who otherwise were not strong enough to initiate such a process on their one, received validation quickly from the crowds gathered on a daily basis on the streets of Prague. The popular pressure on the communist regime was immense and constantly rising, and this was mainly a consequence of its illegitimacy. Thus, the dissidents with the help of the masses became the central figures of the process. Therefore, a mixture of actors constituted as the “agent of change”. Faced with such a situation and with the refusal of the Soviet Union to intervene coercively, the former regime was obliged to surrender.

The process ended in June 1990, when free parliamentary elections were held and the bases of a democratic system were set. Transition was brief and uncomplicated, with the opposition forces backed by people on the streets imposing their program on the incumbent elite. The round table discussions took the form of interactive cycles of opposition demands, evasive government actions, expanded opposition demands and eventual, a grudging government acceptance (Munck and Leff 1997, 355). However, despite its ease, the process did not deal with the institutional structures of the transition as it was more concerned with changes in the party leadership, the executive and the parliament (Offe and Preuss 1998, 55). And this was mainly because both sides were relatively weak and most important, because the

main concern of the opposition forces was to overthrow the so much hated regime and not necessary to establish a democratic arena. As it will be seen, this will translate into some negative consequences in terms of political competition and of future outcomes as well.

3.4.3 Slovenia[42] – reform through extrication

In terms of strategies employed by the relevant actors during transition it can be said that Slovenia is similar with Hungary. For this reason, Slovenia's transition was also called "the gradualist approach" (Mrak et al. 2004, xxii). In this sense, Slovenia's road towards democracy was initiated in 1986 when Milan Kucan a young reformist leader within the League of Communist of Slovenia came to power. At that point, a stage by stage process of democratic "evolution" if not "revolution" was set (Rizman 2006, 44). And this process was animated even more by the nationalistic and authoritarian developments that took place in Serbia once that Milosevic came into power (Mastnak 1994 in Rizman 2006, 44).

The process initiated in 1986 peacefully came to its peak in 1990. However, until than there were several events that hasted Slovenia's evolution towards political pluralism and democracy. First, in 1987 a circle of Slovene literati published "Contributions to the Slovene National Program".[43] This had a great impact in justifying the need for an independent state. Second, in 1988 four Slovene journalist and intellectuals were arrested and trialed by the Yugoslav army. This was the trigger for the mobilization of all the forces within Slovenia in a common voice in order to defend the human rights and to claim democracy and independence. Finally, in the spring of 1990 the League of Communist of Slovenia withdraws from the Yugoslav Communist Party. Not long after that, first democratic elections were held with the

[42] This summary on the mode of transition embraked by Slovenia is mainly depicted from Rizman (2006), Ramet (2007) and Mrak et al. (2004)
[43] See for more details Rizman (2006: 46)

communists accepting peacefully their defeat. Furthermore, in June 1991, Slovenia proclaimed its independence after a national referendum in the fall of 1990.

Therefore, in Slovenia the old elites anticipated the process of transition and even more, they introduced important changes already in the pre-transition period in order to accommodate the process. We will see later that such a pattern had positive consequences on the future position within society of the incumbent elite and, in terms of future outcomes in the aftermath of the transition (Mrak et al. 2004, xxii).

3.5 The robustness of political competition

Within the current section a sketchy argument will be made on the relation between socialist legacies, transition modes and what we call here, the robustness of the political competition. Our interest is straight forward: Do particular legacies and modes of transition determine specific patterns of political competition and different outcomes in the future in the case of our countries? The assumption we start with is that variance along the previous discussed variables will translate when our cases are concerned into different patterns of political competition in the new regimes. However, at their turn, these patterns should determine (to a certain extent) future outcomes (of which corruption is of interest here). In the following paragraphs will shift our analysis in this direction. A table that summarizes all the findings will be provided and briefly discussed at the end of the section. Before going further, it worth mentioned that political competition will be confined by three proxies: results of the first democratic elections, the existence of a reformed communist party and a stable pattern of political alteration.

3.5.1 A pattern of robust political competition

The legacies of the former regime and as well the type of the transition mode and the strategies of the relevant actors within the process should be of particular interest for the quality of political competition in the future. And this is mainly because they determine to a certain extent the options and the paths available in the future to the relevant political actors (see Kuzio 2008).

In its turn, political competition limits rent seeking by exposing politicians to the scrutiny of diverse actors among which the most important are voters, political rivals and interest groups.[44] Therefore it follows that politicians that face regular and competitive elections may be constrained from pursuing their private interest or from concentrating on politics that benefit only a narrow segment of the population ("pork barrel") while generating high social costs (Vachudova 2005, 14). By opposition, it should be that in a non-competitive political system the governments will try to maximize their benefits through partial liberalization or corrupt privatization programs.

There are many indicators of political competition but as Vachudova (2005) notes it, at a minimum, political competition should translate into a stable and constant pattern of alteration of political parties in power (Vachudova 2005, 15). We fallow this argument but in the same time we add to more indicators for a more comprehensive view. First, within the transitional framework, when the political actors in power have a great deal of discretion in setting (or not) the scene for democracy, the result of the first elections should be of particular interest. It should be that the exit from power of the former communist party will translate into setting and initiating with a higher probability, democratic institutions and policies in the

[44] See in this sense Tavits (2007), Grzymala-Busse (2004), Bengston (2004) and many others.

first years of the new regime. Consequently, corruption should be lower where this is the case. As well, the exit from power of the former communist party should be a good window of opportunity for the democratic forces that were repressed and restrained (more or less) in the former regime to institutionalize. Consequently, there is a better chance for the rules of elite contestation and for democrac y to consolidate (see Leff 1996).

Second, the exit of the former communists from power should also be a good incentive for them to reform in order to (re)constitute as a viable alternative to the parties in power (see Grzymala-Busse 2004). If they manage to reform, the freedom to maneuver of the ones in power will probably be limited and exposed to constant scrutiny. It follows that corruption should be lower. If they don't manage to reform, sooner or later the opposite (higher corruption) is most likely to be the case as long as the ones in power will not be seriously confronted with the perspective of losing their offices.

3.5.1.1 Results of first democratic elections

At least in theory for a democratic transition process to be possible there should be at least two opposite sides: the incumbent elite and some sort of democratic opposition. Within these sides there can be other groups as well ("hardliners", "moderates"). Both forces can enjoy (or not) public support. It is asserted that the absence of the democratic opposition forces at the moment of regime change will create a political vacuum that will allow the old rulers to conduct the transition as they want (Vachudova 2005, 18). However, it follows that the opposite should be true as well; of course, keeping in mind that it is not possible to have only democratic forces taking part in the process. Yet, a very weak and illegitimate former regime will most probably have no chance to counterbalance in a near future the opposition. Therefore, democratic forces may also apprehend the transition process on the behalf of their own interests. However, this is less probable to happen. Consequently, the assumption set

forth is that lower levels of corruption are the case where the former communists were dispossessed by power in the first elections (see table 1).

3.5.1.2 A reformed communist party

In trying to propose o more comprehensive explanation on political competition, its determinants and importance, Grzymala-Busee (2004) asserts that one of the most important characteristics of a robust political competition is the ability of the opposition to present itself as a credible alternative to the ones in power. However, in order for this to be possible within the post-socialist countries it is almost essential for the former communist parties to reform. Otherwise, there will be a gap on the left or center-left part of the political continuum. Other words said, if the former communist party does not reform there is a higher possibility that there will be either no credible or, no ideological authentic alternative to the ones in power. It also follows from here that the opportunity for corruption is higher for the ones in office as they are not restricted by a viable alternative. Therefore, simple said, higher is the probability for corruption if the former communist party does not reform (see table 1).

It also worth mention here that the ability and the desire to reform is a function of the type of the former regime and, the legitimacy and the power enjoyed by communists in the moment of rupture. Consequently, more power had the communist party over the process of transition or less legitimacy enjoyed at the moment of rupture, lower were the incentives and the opportunities to reform (see table 1).

3.5.1.4 Alteration in power

Here the argument that we set forth is straight forward: higher is the probability of corruption if a stable pattern of political alteration is not the case (see table 1). And this is mainly because political turnover creates incentives for the elites to play by the democratic rules. This will probably mean that rules will be written more fairly limiting the rent-seeking

opportunities (Vachudova 2005, 15). Also, as already mentioned the ones in power will be under permanent scrutiny of an experienced and credible opposition. However, political alteration should be to a certain extent a function of the existence of a reformed former communist party. Consequently, if the former communist party does not reform or reform late, a stable pattern of political alteration will not be the case (see table 1).

The argument in a nutshell

As seen from the table it seems that some of our predictions came true. The firs think to be observed is that a closed former regime is more likely to be an illegitimate one due to its systematic repression on the opposition. It is also quite clear from the table that, a weak opposition (if any), will be the result if the regime is oppressive and that, there is a low probability in this case to have a pacted transition. These can be observed by having a quick look on the cases of Romania and Czechoslovakia (Czech Republic). In both cases, the consequences of a closed regime where illegitimate incumbent elites, weak opposition forces and quite confrontational ruptures. By contrast, Slovenia, that had a fairly open regime came out from communism through a pacted transition, with no violence and with both, incumbent and counter elites agreeing on the future democratic arrangements.

These initial patterns affected the immediate post transitional outcomes as well. More precisely, in Slovenia, where the former elite enjoyed legitimacy, the former communist party reformed quickly and with ease after it was thrown from power in the first elections. Consequently, a pattern of robust political competition, with constant alteration in power became rapidly the case. At the opposite pole we see that Romania had neither an alteration in power in the first elections[45], nor a reformed communist party. These translated in a far less robust pattern of political competition with very limited alteration in power until 2000. Coincidence or not, we see that Slovenia has a far better score than Romania on corruption.

Czech Republic, lies somewhere in between in terms of its corruption score although total alteration was the case after the first democratic elections. Initially Czech Republic was perceived as a front runner in its quest to liberalize and to pledge to democracy but the middle of the 1990's has seen a curious increase in the levels of corruption. It seems that the strange

[45] In fact Romania was the only country from the region that had no alteration in power until 1996.

decision of the former elite not to dedicate to reform as such a path was perceived very difficult due to a harsh and constant opposition from the public and other relevant political actors, left the ones in power with a lot of maneuver space.

In lieu of conclusions

At the very beginning of this paper we questioned ourselves why do countries that experienced many common legacies in the past face now different levels of corruption. Romania, Czech Republic and Slovenia were of interest in this enquire. However, along the road we have seen that despite experiencing common legacies, our countries did not end in the same place in terms of corruption. And this was mainly because our countries did not experienced similar legacies as well.

The quest was now to establish how dissimilar legacies translate into different corruption levels in the future. In this sense we set forth a complex and a contextual path dependent causal mechanism. The argument was that the type of the former regime and the mode of transition will set the initial pattern for the post-transitional political dynamic which in its turn should be of relevance for corruption. We now question how relevant was the causal mechanism that we proposed and where we stand along this argument. In this sense we can discern several structural patterns that came out from the analysis we carried out.

First, it should be no doubt anymore (if it ever was) that the past does matter. It has the ability to set a certain society on a path which will shape subsequent developments and outcomes. The opposite cases of Romania and Slovenia that ended in very different places in terms of corruption but which were coming from very dissimilar pasts as well, should stand as good examples. However, we should keep in mind that it is a truism to say that past matter without being able to show it how it matters.

Second, we should not allow ourselves into the “deterministic sin”. To hold the past responsible for everything that comes out in the future is a fallacy as it is an act of cowardly as well. The future is made through every action that we take in the present. W should keep in

mind that the present we face today will eventually be the past we will remember tomorrow. Therefore every action we take (re)shapes the past, the present and the future as well. This is to say that legacies do count but "agency" counts as well. And in this sense, the case of Czech Republic who deviated from its "liberal pattern" (see Vachudova 2005), due to some strange decisions made by some of the actors within the political process, should be a good example. However, it follows from here that it should be in their hands to come back on the initial pattern as it should be in the hands of Romania as well, to pledge herself on the right path in trying to achieve lower levels of corruption.

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Table 1: Matrix of the path-dependent causal model

	Former regime type		Power & legitimacy		Transition mode		Political Competition			Corruption	
	"voice"	"exit"	Incumbent elite	Opposition forces	Agent of change	Strategy of departure	1st election results	Reformed communist party	Alteration in power	CPI	ZKM
Slovenia	Yes	Yes	Legit & moderate power	Legit & moderate power	Both elites	Extrication	Total alteration	Yes	Total	6.6	0.95
Czech Republic	No	No	Weak & illegitimate	Weak & legit	Both elites	Rupture	Total alteration	No	Partial	4.9	0.37
Romania	No	No	Strong & illegitimate	Very Weak & partially legit	Counter elite	Revolution	No alteration	Yes (after 2004)	Partial	3.8	-0.06

ZKM (2008) – ranges from -2.5 to 2.5 where the positive values are for the least corrupt countries

CPI (2009) – ranges from 1 to 10 where the higher values mean less corrupt countries

(http://www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table)