



*The Case for Democracy:*

# Does Democracy Improve Public Goods Provision?

**Scientific evidence shows that:**

- **Democracies with vibrant vertical accountability provide 23% more safe water access, 35% more immunization to young children, and up to 40% more electricity access, than autocracies.**
- **Democracy provides on average citizens with an internet connection rate more than 300% compared to autocracies.**
- **Democracy with strong vertical accountability mechanisms diminishes corruption.**

## More Safe Water, Immunization, Electricity, and Social Protection for the Poor

A large body of scientific research demonstrates that democratic elections induce governments to provide public goods. Already 20 years ago, Lake and Baum (2001) established that moving from the lowest to highest levels of democracy is associated with 23% more of the population having access to safe water and 35% more of the population younger than age 1 being immunized against DPT (Diphtheria, Pertussis, and Tetanus). A recent set of studies such as Boräng et al. (2016), have produced evidence that when corruption is low to moderate, moving from the lowest to the highest levels of democracy results in a 20-40% increase in electricity access/ consumption.

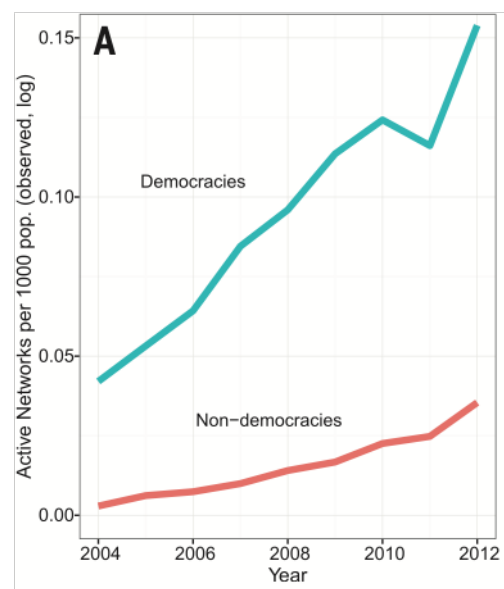
Democratization is also instrumental in bringing access to public goods for the poor and marginalized. Solid evidence now demonstrates that transitioning from a closed dictatorship to a full democracy leads, on average, to more than a 100% increase in social protection spending (Murshed et al. 2020). Thus, democracies also provide public goods to more people by reducing inequality.

Hard scientific evidence supports the basic idea of why democracy is better for the people than autocracy: in order to secure support from the majority, governments are forced to fulfill policies that increase the provision of public goods (Bueno de Mesquita et al. 2001). Therefore, well-functioning vertical accountability mechanisms induce politicians to provide public goods.

## More and Free Digital Communication

A growing number of scientific studies demonstrates that democracies also provide much greater internet access for their citizens as well as a freer environment for digital communication. These public goods are increasingly critical to citizens' communication, access to information, as well as to use government services. A study published by *Science* Weidmann et al.(2016) for example, demonstrate that Internet penetration increases at a much higher rates in democracies than autocracies (Figure 1). Already in 2012 democracies afforded their citizens on average a 300% higher rates in democracies.

**FIGURE 1: INTERNET ACCESS RATES IN DEMOCRACIES AND NON-DEMOCRACIES (WEIDMANN ET AL. 2016)**



Autocratic governments have good reasons to limit access to this public goods. As King et al. (2013) show, autocrats censor content. Keremoglu and Weidmann (2020) bring evidence on how autocrats use technology to contain those challenging their rule. With their rigorous analysis, Lutscher et al. (2020) also demonstrate how frequently authoritarian government uses interference in online traffic, such as cyberattacks and temporary shutdowns.

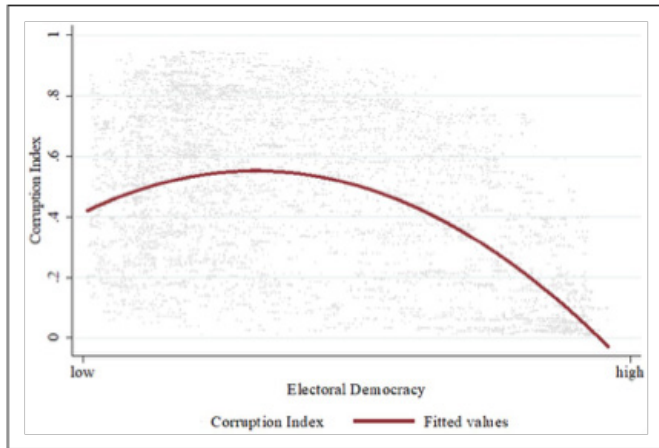
## Democracy Mitigates Corruption

A growing body of scientific studies now demonstrates that democratization mitigates corruption. For example, both Kolstad and Wiig (2016) and Pellegata (2013) show that being a democracy is robustly linked to lower rates of corruption.

In a rigorous study using the most comprehensive empirical data to-date, McMann et al. (2020) provide unanimous evidence of a solid curvilinear relationship between corruption and democracy (Figure 2).

While corruption increases slightly with the initial stages of democratization, levels of corruption curve downward as democratic freedoms grow stronger. Critically, McMann et al. (2020) also show that reductions in corruption is driven especially by effective vertical accountability that comes with high-quality, free, and fair elections.

**FIG. 2 EFFECT OF ELECTORAL DEMOCRACY ON CORRUPTION (MCMANN ET AL. 2020)**



As an example, corruption was very widespread in Brazil until scores on the Electoral Democracy Index hit 0.7 on a 0-1 scale in 1989, at which point corruption finally began to abate. Enhanced vertical accountability enables voters to throw out corrupt politicians. Long-term strategies to strengthen this mechanism (quality of elections and freedom of expression) in newly established democracies are critical to reducing corruption.

### Better at Accurate Statistics

Finally, unambiguous scientific evidence shows that democratic governments provide more accurate official statistics (e.g., Magee and Doces 2015, Hollyer, Rosendorff, and Vreeland 2011). Official statistics, such as census data, provide essential information needed for public goods provision (Jerven 2018). Democratic institutions constrain executive authority from manipulating data (Magee and Doces 2015), while electoral competition incentivizes the ruling elite to disclose policy-relevant data (Hollyer, Rosendorff, and Vreeland 2011). Taking all these into account, it can be concluded that democratization leads to higher-quality official statistics, which helps inform public goods provision, resulting in better results in this area.

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**To contribute to building a scientific evidence base for democracy, the European Union signed a contract with University of Gothenburg/V-Dem Institute to develop “The Case for Democracy”, and make it available to the European Union as well as its collaborating partners. On November 30th to December 1st, 2021, 26 scholars and over 400 policymakers and practitioners participated in a hybrid onsite/virtual conference held in Brussels on the Case for Democracy. Scholars presented scientific evidence on the dividends of democracy across six broad areas. This is one of a series of eight policy briefing papers summarizing the collated evidence.**



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