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The Pseudo-Democrat's Dilemma

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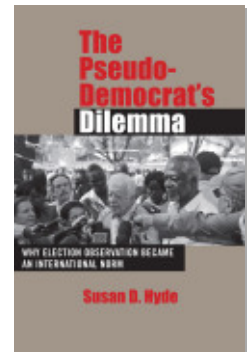
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The Pseudo-Democrat's Dilemma: Why Election Monitoring Became an International Norm.

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SIGNALING DEMOCRACY AND THE NORM OF INTERNATIONALLY OBSERVED ELECTIONS

Since the end of the Cold War, international election observation has attracted significant attention from policymakers and practitioners of foreign aid, democracy promotion, and postconflict political development as a useful and widely accepted tool to help facilitate democratic elections. For scholars of international relations and comparative politics, especially those interested in the consequences of international pressure on government behavior, election observation also represents an ideal case of international norm formation. This chapter presents my argument in detail, providing a theory of international norm creation in which strategic interaction between state leaders and powerful international actors generates new and consequential international norms. I present a stylized model of the interaction between governments seeking international benefits, democracy promoters, and international election observers. Election monitoring became a norm in part because compliance is perceived to be costly for a well-defined subset of governments: those that engage in significant election manipulation. By inviting independent third-party observers to judge their elections' quality, governments holding rigged elections risk heightened international and domestic exposure of their corrupt practices. Because election monitors can deter fraud directly or make fraud more difficult, inviting observers is more costly for leaders who engage in election manipulation. These costs, in turn, are precisely what make election monitoring a useful and informative signal.

The argument is presented in four parts. First, I introduce the relevant actors, including true democrats, pseudo-democrats, democracy promoters, and international election observers. The creation of the norm of election observation hinged in part on the perceived existence of two types of leaders: those who are committed to genuine democratization and those who hold elections but are not necessarily willing to abide by

democratic rules.¹ Second, I argue that changes in the international environment generated a common shock, exogenous to domestic political developments, that increased benefits for some state leaders who signaled their commitment to democracy. Although election monitoring was just one of many potential signals that governments could have used, it spread in part because democracy promoters began to recognize and reward positive reports from foreign election observers as an informative signal of a government's intention to democratize.

Third, focusing on the decision to invite election observers, I argue that efforts by state leaders to gain democracy-contingent benefits led to a change in the expectations among democracy-promoting actors and ultimately generated an international norm of election observation.

The norm is unintended in the sense that no constituency or group lobbied for the norm, nor do I find evidence that it was imposed by a global or regional hegemon. The signal of inviting international election observation was initiated by leaders wishing to demonstrate their commitment to democratization, not by leaders seeking a new norm, and was imitated by pseudo-democratic leaders when the "democracy premium" grew sufficiently large. Repeated invitations from many state leaders led to the normalization of election observation and its explicit use as a method to evaluate the democratic credentials of other states.

Finally, I outline the empirical implications of this theory and summarize the approach used to evaluate them in the subsequent chapters of the book. The analysis includes a global dataset of elections and election observation, detailed information on changes in democracy promotion and international benefits, evidence from election observer reports, and natural and field experimental tests of the effects of election monitoring on domestic political behavior.

International Incentives and the Decision to Invite Observers

Although states are sovereign within the international system, they do not act in isolation. The decisions of leaders and the behavior of domestic political actors are subject to a variety of external influences. I focus in

1. Note that these are ideal types, and even leaders who are committed to democratization may be willing to bias the election in their favor. The important distinction between types of leaders is whether the recipients of the signal—in this case democracy-promoting actors—perceive that the distinction between types exists and if they think that they are better off supporting governments that are true democrats.

particular on one form of international influence: powerful international actors hold preferences about the characteristics of other states and encourage these characteristics indirectly through the allocation of international benefits. This hierarchical relationship between more and less influential international actors provides the foundation for my theory.² Economic and political stability, strategic location, transparency, and democratic political institutions are examples of valued and rewarded state-level characteristics. Countries such as Egypt and Israel receive high levels of foreign support from the United States primarily because they are strategically important, and the United States seeks to encourage such allies through military and financial support. Countries such as Singapore and Costa Rica attract high levels of foreign direct investment in part because they are perceived as stable. Economic and political stability is a state-level characteristic that is rewarded by many international actors. Across a variety of issues areas, however, influential international actors frequently do not define exactly how states should prove that they are transparent, stable, or possess other desirable characteristics. Instead, for powerful states, it is frequently a safer strategy to interact with and reward those states whose "type" is clear from their behavior. Leaders of benefit-seeking states without established reputations must find a way to demonstrate their country's qualifications in the absence of clear directives, an environment that gives them the incentive to identify credible signals of their type.

Given a change in the preferences of powerful international actors about the characteristics of other states—such as an increase in the emphasis on democracy—states that are not already perceived to possess the characteristic have an increased incentive to modify their behavior in order to gain more international benefits and to signal their commitment (or type) to skeptical or indifferent audiences. International benefits are diverse and fungible and include international investment, foreign aid, preferential trade agreements, membership in international organizations, military support, increased economic exchange, and legitimacy and prestige. New behaviors that become recognized as credible signals of a government's type produce dynamic effects. Because such signals increase the incentives for other states to imitate the new behavior, the new behavior spreads. In addition to generating imitators, success of a given benefit-seeking signal indicates that some international actors have accepted the signal and therefore increases the demand for the signal among

2. Lake, *Hierarchy in International Relations*.

its intended recipients. If the signaling game becomes institutionalized such that international actors believe that all good types of states send a given signal, the new behavior becomes a norm. Only bad types refuse to signal. Therefore, if there is some probability that bad types can mimic the signal, this dynamic generates pressure on all benefit-seeking states to comply with the norm.

This process is most likely when benefit-giving actors want to encourage or reward a characteristic that is not readily observable. Because some governments may attempt to mimic democratic political institutions, it is difficult for external actors to judge a regime's commitment to democracy. In the context of democracy promotion, pro-democracy actors prefer to support states committed to democratization and, all else equal, attempt to avoid supporting states that are not committed democrats.

True and Pseudo-Democrats

A common assumption in political science research is that the primary goal of incumbent politicians is to maintain power. This is often a useful assumption, but it can be misleading when applied to countries without established political institutions that help "enforce" democracy.³ For some leaders in transitional countries, the goal of democratization trumps the goal of staying in power at all costs. Throughout democratic history, during periods of institutional instability some leaders have put their desire to lead their country toward democracy ahead of their desire to stay in office. U.S. President George Washington was one of the first prominent politicians to do so, and he transferred power to an elected successor despite popular opinion that he should serve indefinitely. Since that time, a number of incumbent politicians have risked their own political future in order to help their country progress toward democracy, including one of the first leaders on record to invite international observers to elections in a sovereign state: José Figueres of Costa Rica, a man referred to upon his death as his country's "father of democracy."⁴

State leaders condition their behavior on anticipated international benefits. Benefit-seeking behavior is common in the developing world, where foreign aid and other forms of external support are frequently used for political purposes. Not all benefit-seeking leaders are equally committed

3. Przeworski, *Democracy and the Market*; Weingast, "The Political Foundations of Democracy and the Rule of Law."

4. "José Figueres, Father of Costa Rican Democracy, Dies." United Press International, June 8, 1990.

to democratization, even when they hold elections, as electoral autocrats such as Alberto Fujimori, Vladimir Putin, and Robert Mugabe illustrate. This distinction between types of leaders means that, given some level of international benefits tied to democracy and uncertainty about some governments' commitment to it, those leaders who are actually committed to democratization are motivated to signal their type to domestic and international audiences.

Throughout this book, national leaders of transitional countries are referred to as “incumbents” or “governments.” This assumed actor can be one individual or a group of leaders, depending on the regime type. Once elections are announced, all incumbents choose the degree to which they (and usually their party and supporters) will abide by the rules of a democratic election. In institutionalized democracies, a free and independent media, an independent judiciary, rule of law, and an informed and active citizenry mean that—at least in theory—leaders are bound to democratic rules by predictably severe consequences.⁵ In countries in which democracy is not institutionalized, some of the mechanisms of self-enforcing democracy may be weak or limited, and leaders are not so constrained. Incumbents may choose to delegate authority to an independent electoral commission, but one may assume that they always maintain ultimate authority over the degree to which elections are manipulated.

Within this environment, there are two general types of incumbents: true democrats and pseudo-democrats. True democrats are those incumbents who obey the letter and the spirit of electoral laws: they follow rules regulating electoral competition (they do not commit electoral fraud) and comply with expected behavior following an election (if they lose, they peacefully transfer power). Put simply, they act like leaders in established democracies, working to maintain power within the confines of democratic institutions.

For other leaders of countries in transition, power-hungry politicians will attempt to stay in office at all costs, including through undemocratic means. Although pseudo-democrats agree to hold elections, and will even hold free and fair elections if they believe that they are popular enough to win outright, they manipulate the election or the electoral process when they are not otherwise sure of their victory. The crucial differences between true democrats and pseudo-democrats are that, first, pseudo-democrats will cheat in order to win and, second, if they are defeated, they do not willingly transfer power to another party.

5. Weingast, “The Political Foundations of Democracy and the Rule of Law.”

I do not attempt to classify each and every leader as a true or pseudo-democrat because it is frequently impossible to do so before elections take place.⁶ Some leaders may change during their tenure, such as dictators who rule unelected for decades but peacefully leave power after allowing—and losing—democratic elections. Kenneth Kaunda, the president of Zambia from 1964 to 1991, is such an example. Other leaders persist in holding elections long after they are widely perceived as dictators or “electoral autocrats.” Still others appear to oscillate between gross violations of democratic procedures and respecting democratic processes even when they lose, such as Hugo Chavez of Venezuela or Daniel Ortega of Nicaragua.

Variation in the degree to which leaders are willing to abide by the rules of democratic elections is essential in explaining why election monitoring became an international norm. Even China claims to be democratizing, and even North Korea and Turkmenistan hold elections. There are also a number of countries such as Chile, Ghana, and Indonesia that transitioned to democracy under great uncertainty about the commitment of their leaders to democratization. Judging which governments are actually democratizing is difficult because verbal commitments by leaders claiming to democratize and even the decision to hold elections are cheap talk. Many autocrats pay lip service to democratic values and hold rigged elections without serious risk to their power. As I argue in this chapter, international election monitoring spread widely because an endorsement from reputable international observers became internationally recognized as a signal that a leader was committed to holding democratic elections, because it is costly but not impossible for pseudo-democrats to imitate this signal, and because observation itself generated valuable information for democracy-promoting states.

Democracy Promoters

The other major actor in the development of election observation is the democracy-promoting community, represented primarily by powerful Western states. In some cases, the coalition of democracy promoters also includes domestic forces within a potentially democratizing country, although domestic pro-democracy forces are not necessary for governments to have the incentive to respond to foreign democracy promoters. In

6. Przeworski et al. code a binary democracy variable based on whether democratic elections are possible, although the coding rules make it difficult to apply to these rules to election monitoring (*Democracy and Development*.)

reality, democracy promoters are an amalgamation of states, international organizations, and other actors, all of whom act independently from one another. I refer to these actors in the aggregate in order to examine how a leader's decision to invite election monitors is influenced by the expected response among democracy promoters. This type of assumption is not without precedent. For example, as Michael Tomz has shown in relation to state reputation in international capital markets, coordination is not necessary for diverse international actors—such as investors or democracy promoters—to develop common beliefs and responses to the behavior of governments.⁷ Simply put, the behavior of leaders can be influenced by the anticipated reaction of the pro-democracy international community, even when the international community is a diffuse set of actors without a formal mechanism to coordinate their response.⁸

International Election Observers

International election observers are official delegations of foreigners who are invited by the host government to observe and report on the electoral process. Election observation missions are deployed or sponsored by international organizations, such as the Organization of American States (OAS), the Organization for Security and Cooperation in Europe's Office for Democratic Institutions and Human Rights (OSCE/ODIHR), and the European Union (EU), and nongovernmental organizations (NGOs), such as the Carter Center and the Asian Network for Free Elections (ANFREL). Some NGOs such as the National Democratic Institute and the International Republican Institute are nominally independent but are primarily funded by individual governments. International election observers are central in my theory, yet their role is straightforward. Although there are several notable exceptions, the primary role of international observers at an election is to evaluate its quality and to provide recommendations for improvements to the electoral process. In this stylized model of election observation, their report on election quality is not determined by the expected response of other actors but rather is determined only by the quality of the election.⁹

In this sense, the reports of observers on election quality are not strategically motivated, although I will show later that as the norm became

7. Tomz, *Reputation and International Cooperation*.

8. This point is also made clearly by Goertz and Diehl in relation to diffuse sanctioning of norm violators in "Toward a Theory of International Norms."

9. But also see Kelley, "D-Minus Elections."

more widely accepted, organizations supporting international observers invested in improving observation technology.¹⁰ For now, it is important to note that in my theory, international observers do not by themselves confer international costs or benefits.¹¹ They primarily serve an informational role, and their reports matter to the extent that other actors rely on them to evaluate the quality of elections.

The quality of observers varies considerably over time and between organizations. Since observers began criticizing elections in the 1980s, a subset of observer organizations have developed reputations as being more professionalized and more willing to call out problematic elections. As I discuss in chapter 5, this fact has been exploited by pseudo-democrats in the game of strategic manipulation played with observers.¹² Other organizations are unlikely to be explicitly critical and do not invest resources in improving monitoring techniques.

The International Environment and the Democracy Premium

Countries seeking international benefits respond to the preferences of other international actors, such as a preference among powerful states for democratic political institutions to be present in states receiving their support. The skeptic may doubt that such a “democracy premium” exists in practice because there are many examples in which nondemocratic regimes continue to receive external support from pro-democracy actors. It would be naive to assert that influential actors promote democracy at all costs or that democracy promotion trumps all other interests of powerful states. At best, promoting democracy is just one of many foreign policy goals, and its importance relative to other objectives changes over time within individual countries and international organizations. Nevertheless, there is much evidence to suggest that international pressure for democracy exists and that benefit-seeking states respond to this pressure.¹³ For

10. There are several counter examples in which international observers are pressured to reach a predetermined conclusion about the election or to base their conclusion on which party won rather than the quality of the process, but these examples are, at this point, exceptions.

11. It is possible that there is a direct psychological effect on leaders as a result of praise or criticism, although this is not included in my theory.

12. Beaulieu and Hyde, “In the Shadow of Democracy Promotion”; Simpser, “Unintended Consequences of Election Monitoring.”

13. States promote democracy for many reasons ranging from the ideological to the strategic. I set aside the question of why states promote democracy, and I discuss the empirical

such international pressure to influence the behavior of leaders, it is only necessary that not-yet-democratic states have reason to believe that they may be rewarded for appearing to democratize.

Leaders vary in the types of international benefits they seek, and they may desire benefits such as international legitimacy, foreign aid, membership in international organizations, and increased foreign direct investment. International benefits can also be withheld or withdrawn as a penalty for various reasons, including actions related to democratic reversals. Individual states or leaders may prefer different types of benefits and may seek material or less tangible benefits, such as international legitimacy or prestige. As I discuss in chapter 2, the fact that international benefits are fungible makes measurement more challenging, but it is unnecessary to assume that leaders seek only material benefits or nonmaterial benefits such as legitimacy.¹⁴

During the Cold War, democracy promotion was closely tied to U.S.- and Western-aligned states. Although anti-communism was clearly the most important characteristic to the United States, and frequently trumped democracy, allies were periodically encouraged to liberalize politically and were promised increased support if they did so.¹⁵ The end of the Cold War brought democracy promotion closer to the top of the foreign policy agendas of many powerful states, and the issue of democracy gained prominence in a number of international organizations.¹⁶ Even after the end of the Cold War, however, the widespread movement toward overt and multifaceted democracy promotion by powerful international actors did not displace other foreign policy objectives, but rather it grew in importance relative to anti-communism. Pressure for democracy continues to vary across states and regions depending on other geopolitical concerns.

In presenting this theory, I make the basic assumption that international actors prefer to support countries that they judge to have high value and that the characteristics valued by international actors change over time. More than one characteristic of a given state can be rewarded or punished, even if they sometimes conflict, and the relative weight of individual

evidence of democracy promotion efforts and the international benefits tied to democracy in chapter 3.

14. Kelley argues that leaders are primarily seeking legitimacy when they invite observers, although she highlights both instrumental and normative reasons in "Assessing the Complex Evolution of Norms."

15. Smith, *America's Mission*.

16. Donno, "Defending Democratic Norms: Regional Intergovernmental Organizations, Domestic Opposition and Democratic Change"; Pevehouse, *Democracy from Above*; Mansfield and Pevehouse, "Democratization and International Organizations."

characteristics changes. For example, during the Cold War, a communist-aligned government could not gain support from democracy promoters because its position on communism would have outweighed its other characteristics, even if the country's government was genuinely committed to democratization. An anti-communist government, however, could lobby to increase its share of international benefits by signaling its commitment to democracy. Also according to this model, a strategically important autocrat may continue receiving support from democracy-promoting states so long as the value of its geopolitical position outweighs its lack of political liberalization.

State-level characteristics may change in value relative to each other. When anti-communism was the most important factor in allocating international benefits during the Cold War, increasing a state's commitment to democracy would lead to only a small boost in international benefits, and becoming more democratic could not outweigh the negative value attached to a communist-sympathizing government. Compared to the value associated with anti-communism, the weight of democracy was small. After the Cold War, the weight given to democracy increased relative to other characteristics, giving more leaders the ability and incentive to seek democracy-linked benefits.

Two simple but important implications follow from this basic model. First, it is not necessary that democracy is the state's most important characteristic for it to factor into the decision-making behavior of benefit-seeking incumbents. Second, for each government seeking international benefits, any change in the relative weight given to democracy in the allocation of international benefits changes the corresponding expected benefits of being internationally recognized as democratic.

Although this emphasis is redundant, scholars and public commentators often make the point that democracy promotion cannot be effective if it is inconsistently applied across states or if other characteristics are also valued.¹⁷ In contrast, I argue that inconsistent democracy promotion, or democracy promotion conditioned by geopolitical interests, can still have important effects in motivating changes in the behavior of benefit-maximizing leaders. Counterintuitively, this argument also suggests that some ambiguity in the motivations of powerful democracy-promoting states increases the number of leaders willing to risk political liberalization and invite international exposure. If all leaders expected that foreign commitments to enforce democracy were absolute, the governments most

17. Roth, "Despots Masquerading as Democrats."

likely to violate democratic institutions would be the least willing to risk political liberalization to gain democracy-contingent international benefits. In a world of sovereign states, the promotion of democracy at all costs would decrease the incentives for pseudo-democrats to invite observers and therefore decrease international scrutiny where it is most interesting: governments that are most likely to be manipulating their elections and constraining political liberalization.

Signaling Commitment to Democracy

Assuming that a democracy premium exists and that democratic governments receive some increase in their expected level of foreign support, how might a government of an uncertain type send a credible signal of its commitment to democratization? Historically, scholars and policymakers have applied various standards to democratizing countries in order to judge when they can be considered democratic. One such standard is the “two-turnover test,” in which a country is considered democratic after two peaceful transitions in power through elections, a standard that leaders or parties who wish to remain in power would clearly not prefer.¹⁸ Another popular standard defines an election as democratic if all political parties accept the results. Opposition acceptance of the results is an unreliable indicator because opposition political parties may act as sore losers, protesting even democratic elections. Similarly, governments may credibly threaten to crack down on protest following rigged elections and successfully intimidate losing parties. Such a credible threat of retribution would falsely give the appearance that opposition parties had accepted the results.

These standards are not ideal from the perspective of true democrats seeking recognition as such: a country could theoretically be democratic before experiencing two turnovers, as Arend Lijphart has argued in the cases of Germany, Luxembourg, the Netherlands, and Switzerland,¹⁹ or countries could experience democratic backsliding even after two or more turnovers in power, as in Nicaragua or Peru. Before democracy is institutionalized, suspicion between political actors and an absence of credible information make it difficult for leaders to signal whether an election is democratic. This idea was neatly summed up by a Chilean general before the internationally observed 1988 plebiscite on the continued rule of

18. Huntington, *The Third Wave of Democratization*.

19. Lijphart, *Patterns of Democracy*.

Augusto Pinochet: “If the government’s candidate wins everyone will say it was fraud. If he loses everyone will say it was a fair election. So it is more in our interests than anyone else’s to be able to show it was an absolutely fair election.”²⁰

Following an increase in democracy-contingent benefits, benefit-seeking states have the incentive to signal their type rather than rely on the judgment of powerful states. Other potentially credible signals, such as opposition victory, require leaders to give up power. By proactively signaling their commitment to democratic elections, state leaders who initiated election observation could make it more likely that their country was accurately recognized as a democratizing state, potentially decrease suspicion among domestic opposition parties, and increase their likely share of international support from the West. International election monitoring is a credible signal because it is more costly for pseudo-democrats than for true democrats, yet both types of leaders can signal their commitment to democracy by holding internationally monitored and endorsed elections.

Simply extending an invitation to international observers is not a sufficient signal: elections must also receive a positive report from observers. As election monitoring spread, pro-democracy actors, including true democrats, increased the cost of the signal to pseudo-democrats by expanding the mandate of election monitoring and improving the quality of observation: governments increasingly had to allow more observers; give them unfettered access to the entire electoral process throughout the country before, during, and after the election; and avoid manipulating the election in a manner that observers would criticize.

The dynamics of this interaction, including the diffusely motivated behavior of states acting in their own best interest, caused the new behavior—inviting international election monitors—to spread widely. Because these state leaders were successful in advocating a connection between election monitoring and democracy, initially reluctant international actors began to accept the signal of inviting observers in some regions. Over time, these pro-democracy actors began to expect that all leaders holding potentially democratic elections would invite international election monitors unless they were not committed to democracy.²¹ This change in international

20. General Fernando Mattei on Pinochet’s “insoluble dilemma,” quoted in Huntington, *The Third Wave*, 84.

21. On the norm of election observation see Bjornlund, *Beyond Free and Fair*; Kelley, “Assessing the Complex Evolution of Norms”; Rich, “Bringing Democracy into International Law”; Santa-Cruz, “Constitutional Structures, Sovereignty, and the Emergence of Norms.”

expectations about the behavior of governments has been noted by other scholars. As Roland Rich argues,

International observation of national elections and referendums in countries claiming to be democratic has become the norm. The rejection of foreign electoral observers has come to be taken as a signal that the country concerned is not prepared to open itself to international scrutiny and is not interested in the international legitimacy that a positive report would bestow.²²

And, as Eric Bjornlund writes, “in democratizing and semiauthoritarian countries, election monitoring has become the norm and is now effectively a prerequisite in such countries for elections to be viewed as legitimate.”²³ Judith Kelley similarly highlights the change in internationally held expectations, arguing that because “honest governments always had the incentive to invite monitors...[t]he international community could therefore infer that incumbents who refused monitors must have intended to cheat.”²⁴

In recent years, the norm has spread even among developed democracies. Until 2000, few countries invited observers if they had established their type and their commitment to democracy. But as election observation became normalized, some pseudo-democratic governments complained of hypocrisy and paternalism in the application of election observation, and partly in response, European and North American democracies began to invite foreign observers.

The Dynamics of Norm Initiation and Diffusion

Why did state leaders choose to invite international scrutiny of what used to be an entirely domestic political process? Why did leaders who planned to commit election fraud begin inviting observers? Why did inviting observers become an international norm rather than a fleeting phenomenon, and why do states continue to comply with the norm even when it is clear that they will be caught manipulating the election?

Explaining the global diffusion of election monitoring requires explaining the decision by individual leaders to invite observers or not. My theory is based on a signaling game.²⁵ Scholars of international norms and game

22. Rich, “Bringing Democracy into International Law,” 26.

23. Bjornlund, *Beyond Free and Fair*, 31.

24. Kelley, “Assessing the Complex Evolution of Norms,” 231.

25. For discussion of signaling games in international relations, see Morrow, “The Strategic Setting of Choices: Signaling, Commitment, and Negotiation in International Politics.”

theorists rarely engage one another, although some concepts have strong parallels in both literatures.²⁶ Because the setup and implications of the game are relatively straightforward, the formalization of the game is confined to the appendix and the model is described entirely in words. When it is useful, I link the argument to game-theoretic concepts, and familiarity with game theory is helpful but not necessary to understand this part of my argument.

Incumbent governments choose whether to invite observers and attempt to gain their endorsement. This decision is modeled as a signaling game played by incumbents of uncertain type: unambiguous autocratic regimes such as Saudi Arabia or North Korea are not expected to play the game, and unambiguously democratic regimes such as Australia, Belgium, or Canada were not expected to invite observers until the norm had diffused widely.²⁷ For such governments, it is unlikely that the signal of inviting observers and receiving their report would change other actors' beliefs about regime type, making it unlikely that they will attempt to play the game.

Given that elections are being held in a country that is not unambiguously autocratic, I assume that the incumbent leader can be a true democrat or a pseudo-democrat. Both types of leaders decide whether to invite international observers. Before making this decision, leaders evaluate their likely share of international benefits and the available (potential) benefits tied to democracy. Other country-level characteristics known to the incumbent and democracy promoters, such as strategic location, alliances, or any number of other characteristics, also factor into the anticipated benefits that incumbents perceive before deciding whether to invite observers. In choosing whether to invite observers, governments also consider whether and how they will attempt to manipulate the election in their favor. More manipulation is more expensive and more likely to be caught when observers are invited. Methods of manipulation that are less likely to be caught by observers are assumed to be more expensive, because additional effort must be devoted to concealing manipulation or manipulating the election using legal or indirect tactics.

See also Schelling, *The Strategy of Conflict*; Schultz, *Democracy and Coercive Diplomacy*; Schultz, "Domestic Opposition and Signaling in International Crises"; Milner, *Interests, Institutions, and Information*; Fearon, "Rationalist Explanations for War."

26. Katzenstein, Keohane, and Krasner, "International Organization and the Study of World Politics"; Morrow, "When Do States Follow the Laws of War?"; Fearon and Wendt, "Rationalism v. Constructivism"; Finnemore and Sikkink, "International Norm Dynamics and Political Change."

27. I discuss the decision by developed democracies to invite international observers below.

Because by definition the ideal type of true democrat never cheats, they do not have to pay the costs of manipulating the election and are never caught cheating. I assume that election monitoring is not entirely costless for true democrats, who must pay a small sovereignty cost if they invite observers. The sovereignty cost is in part determined by the reaction of domestic audiences to the government's decision to invite observers. Domestic audiences do not necessarily support the decision to invite observers. The sovereignty cost can vary by country because of variation in domestic support for the decision to invite international observers. For example, some domestic actors view international election observers as an unnecessary form of foreign meddling, and in such cases the sovereignty costs associated with inviting observers would be greater. However, as election observation becomes more widely accepted among domestic audiences, the sovereignty cost decreases.²⁸

Leaders committing large-scale fraud or who are less willing to risk a negative report must exert more effort to conceal election manipulation, such as by moving election manipulation to the pre-election period, by engaging in indirect rather than direct forms of manipulation (e.g., media bias rather than vote theft), and by training polling officials to disguise election fraud as administrative incompetence. They may also have to increase the rate of cheating in front of observers in order to overcome any fraud deterrence caused by the observation.

In this model, elections represent a gamble with a probabilistic outcome.²⁹ Across all leaders, the base probability of victory without fraud is assumed to be the same. Incumbents who do not win the election gain nothing, even if they invite observers. Those who win through election manipulation in the presence of observers must also pay the associated cost of election manipulation, although election manipulation makes victory more likely. Figure 1.1 illustrates the basic relationship between the probability of victory and the level of manipulation with and without international observers. The probability of victory for true democrats is labeled in the figure as p . Note that election fraud increases the probability of victory for pseudo-democrats (denoted as q), but this increased probability of victory comes at a price and is marginally more costly when observers are present. Benefits of winning the election

28. In the empirically unusual case that the domestic audience increases support for the incumbent because the incumbent invited observers, the sovereignty cost can be modeled as a benefit in the formal model and would increase the likelihood that observers are invited.

29. Cox, "Authoritarian Elections and Leadership Succession, 1975–2000."

come from both domestic and international sources. Domestic benefits associated with winning the election include salary and domestic prestige, which are available to both types of leaders. Following an election victory, the incumbent expects to receive some amount of international benefits based on the total value of their country's characteristics and the updated postelection beliefs among democracy promoters about their type.

When significant fraud is detected, observers issue a negative report, but if cheating is not detected, observers issue a positive report. Given that an incumbent is cheating, the probability that observers issue a negative report is influenced by the level and form of cheating committed. If the incumbent is a true democrat, cheating is never revealed to international observers and negative reports are never issued. For pseudo-democrats who engage in election manipulation, a negative report is possible but not certain and is determined by their success at manipulating the election in a manner that observers are unlikely to criticize. At the conclusion of the game, democracy promoters update their prior beliefs about whether the

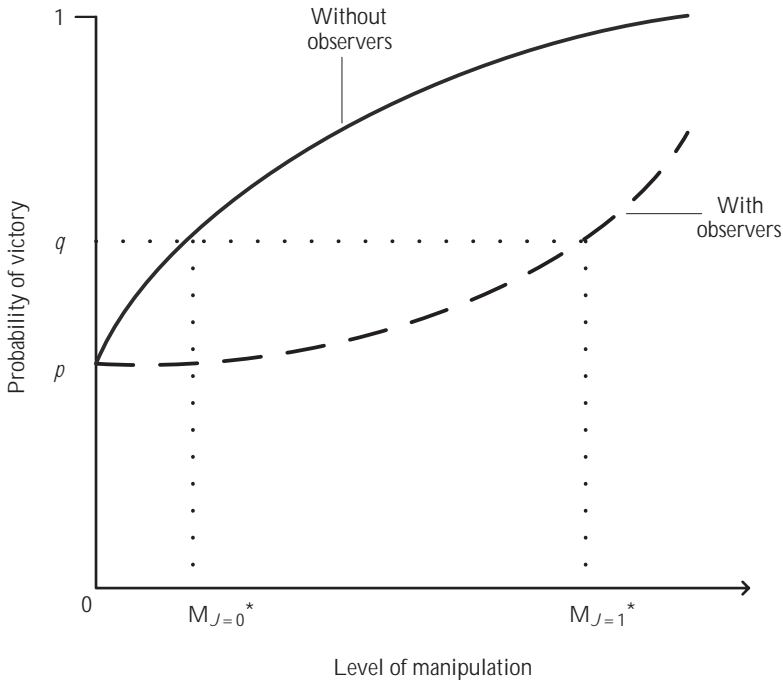


Figure 11. International observation, election manipulation, and probability of victory

incumbent leader is a true democrat or a pseudo-democrat and condition their support accordingly.

Although opposition parties are sometimes found to be guilty of election fraud, they do not determine whether observers are invited in the first place; therefore, this possibility is not modeled in my explanation of the decision to invite observers. Additionally, in investigating all negative reports from observers, I have found no cases in which international observers criticized an election when only opposition parties committed election fraud.

Signaling and the Dynamics of Norm Diffusion

Logically, if democracy-promoting actors believe that all true democrats invite international observers, any incumbent government that does not invite observers is assumed to be a pseudo-democrat. In the language of game theory, the norm of election monitoring is defined as the shared expectation among democracy promoters that all true democrats invite observers and receive their endorsement. The international norm of election observation therefore means that if democracy promoters observe that a government (of uncertain type) has refused to invite observers, or they observe that a government has received a negative report from observers, they update their postelection beliefs and assume that the leader is a pseudo-democrat. Using this conceptualization, explaining the creation of the norm is equivalent to explaining how this shared expectation that true democrats invite observers was generated.

Signaling behaviors are common in international relations. Generally, they are most useful when they allow other actors to distinguish between types of governments. If there are two types of governments, and only one type of actor is willing or able to send a specified signal, it is called a "separating equilibrium." In a separating equilibrium, a government can credibly signal its type to the intended recipient of the signal. A "pooling equilibrium" occurs when both types of governments are motivated to send the signal, but in this case the signal does not serve as a credible signal of a government's type. Also possible in many signaling games are semiseparating or semipooling equilibria in which one or more types send the signal some of the time. Under such scenarios, the recipients of the signal can infer some information about the incumbent's type based on whether or not the incumbent attempts to signal, but the signal does not allow other actors to clearly distinguish between types of governments.

I use this general model and the basic concepts underlying signaling games to explain the initiation and diffusion of election observation over time and to outline the motivations for changing behavior among leaders and democracy promoters. As with many signaling games, there are a number of possible equilibrium strategies, which are discussed in appendix A. In order to describe the causal dynamics of norm formation and diffusion over time and the relationship of my theory to signaling behaviors, I discuss various equilibria of the signaling game as they apply to specific periods in the overtime development of the norm of election observation.

In the period preceding the introduction of international election monitoring, states “pooled” on the decision not to invite observers. Neither true democrats nor pseudo-democrats invited observers, and neither type was expected to do so. Given the assumptions in the model, if there are no democracy promoters, or if the incumbent believes that democracy promoters will not recognize and reward the signal of inviting election monitors, whether a government invites observers is not a factor in postelection beliefs about the government’s type, and there is therefore no incentive for governments to invite observers.

The equilibrium in which no incumbents choose to invite observers represents the world before election monitoring was initiated. This equilibrium changes if the true democrat believes that inviting election observers may be recognized as a signal of his or her type and there are potential rewards associated with such signaling. Rewards are possible when the democracy-contingent benefits outweigh the sovereignty costs associated with inviting observers and when inviting observers is assumed to be more costly for pseudo-democrats than for true democrats. Because gaining a positive report from observers is relatively easy for true democrats, who never commit election fraud, there is little risk to true democrats associated with inviting observers. As mentioned above, as more actors adopt the view that election observation is consistent with sovereignty and self-determination, sovereignty costs diminish. The growing number of well-respected democracies that have invited international observers since 2002 in part reflects the reduction in sovereignty costs associated with the normalization of election observation. This reduction is a consequence rather than a cause of the international norm.

For pseudo-democrats, the decision to invite observers is more complicated. Like true democrats, they consider the size of the potential democracy premium and sovereignty costs of inviting observers. In weighing the decision to invite observers, they also consider their ideal level of election manipulation, the probability that they will win given this level

of election manipulation, the probability that they will receive a positive report from observers, the direct costs of cheating in front of election observers (such as fraud deterrence), and the effort devoted to cheating in front of observers. All else equal, if the democracy premium is large enough to outweigh the risks associated with inviting observers, pseudo-democrats have the incentive to do so. Under these conditions, however, if the democracy premium is large enough to outweigh these risks for pseudo-democrats, they should also outweigh the costs for true democrats. If any pseudo-democrats invite observers, then democracy promoters can reasonably believe that all true democrats invite observers. If true democrats have the incentive to invite election monitors, it should lead to the belief among democracy promoters that all true democrats invite observers, and that all noninviting states are necessarily pseudo-democrats. If such a belief develops, and if there is some possibility that pseudo-democrats can fool observers and receive a positive report, pseudo-democrats have the incentive to invite observers as well. Under such conditions, pseudo-democrats risk receiving a negative report when they invite observers, but failing to invite observers signals their type with certainty. If pro-democracy actors believe that all true democrats invite observers, the only condition under which the pseudo-democrat prefers not to invite observers is when there is no chance of fooling observers and gaining a positive report given their anticipated level and type of election fraud.

If democracy promoters exist, they seek to support true democrats and withhold benefits from pseudo-democrats, and the potential value of the democracy premium changes substantially over time. For both true democrats and pseudo-democrats to invite observers, the anticipated democracy premium must be large enough to outweigh the costs and risks associated with cheating in front of observers. Inviting observers can be the expected strategy for both types of incumbents when the democracy premium is sufficiently high and when pseudo-democrats can potentially gain a positive report from observers. Pseudo-democrats who invite observers must successfully hide or minimize election manipulation: if they do not, democracy promoters update their beliefs accordingly, and the incumbent faces the costs of having signaled that their government is an electoral autocracy.

The pool of countries expected to play the game is not necessarily uniform over time. It is possible that true democrats can graduate from the norm of election observation when there is no longer any uncertainty about their type. It is also possible that unambiguously autocratic governments can work to change their reputation by engaging in credible political liberalization. They can, for example, introduce elections, multiparty

competition, and other democratic reforms, such as liberalization of the media.

Because refusing observers became a *de facto* admission of guilt by pseudo-democrats, however, the incentives faced by governments made it more likely that both types invited observers. The only governments refusing to invite observers became those holding the most blatantly rigged elections, such as Laos, North Korea, and Vietnam; those receiving foreign support for strategic reasons, such as Egypt; and those willing to go without Western support (perhaps because of high sovereignty costs imposed by anti-Western domestic audiences), such as Iran and Malaysia. Reduced sovereignty costs are also evidenced by the fact that even powerful democracy-promoting states began to invite international election observers, in part to avoid charges of hypocrisy from governments such as Belarus and Russia.

Thus, the norm in which all true democrats are expected to invite international observation of their elections leads to an equilibrium in which all true democrats invite observers and many pseudo-democrats attempt to invite observers. All noninviting countries are perceived to be pseudo-democracies or autocracies. Not all pseudo-democrats who invite observers are able to successfully imitate the signal, and some are documented as pseudo-democrats by international observers. Attempting to fake the signal imposes additional costs upon pseudo-democrats.

Explaining the norm of election monitoring requires that this model of individual decision making—in which each government makes a choice about whether observers should be invited—be extended to explain the global diffusion of election monitoring. The model described above and formalized in the appendices focuses on individual decision making but generates empirical predictions about how groups of leaders with specific characteristics should behave. In the early period of election monitoring, inviting observers was initiated by leaders who sought to increase their share of international benefits. The only internationally imposed cost was for leaders caught manipulating elections. In the second period, an exogenous increase in democracy-contingent benefits associated with the end of the Cold War gave nearly all true democrats the incentive to invite observers. As a result of this change in behavior, democracy-promoting actors developed the belief that all true democrats invite observers, which triggered the third stage of election monitoring, its rapid diffusion, and the establishment of international election observation as an international norm. Because the practice was initiated by state leaders seeking observers, and these leaders continued to invite observers, concerns among international actors about violating sovereignty were sidestepped. Predictably,

leaders who refused observers after the norm developed justified their decision by arguing that observers violate state sovereignty. Additionally, the link between election observation and democracy, which was created and strengthened by leaders who invited observers in order to boost their democratic credentials, made it possible for international actors to accept election observation as a method of democracy promotion. This link was not obvious when election observation was initiated, but it has become so widely accepted that it now seems self-evident. Election observation is now a central component of democracy promotion, and the reports of observers are overtly linked to a variety of international benefits.

Costly Signals and Domestic Consequences

Because international observers may improve the quality of elections in countries with a history of election manipulation, election monitoring is an important tool of democracy promotion. The domestic consequences of election monitoring are also essential to evaluating my theory. For the signal of inviting international observers to be meaningful, it must be more costly for pseudo-democrats than for true democrats. True democrats should have nothing to hide, so inviting observers carries little risk, except for the sovereignty costs outlined above. When pseudo-democrats invite observers, they face a dilemma. They can hold a clean election and hope that they will win outright but plan to falsify or nullify the results if they lose. Or, they can manipulate the election, betting that efforts to conceal manipulation are successful and the level of observable manipulation is not sufficient to generate a negative report.

Pseudo-democrats may hold clean elections when they believe they are popular enough to win outright, but this does not eliminate potential costs associated with inviting observers. For these leaders, the uncertainty lies in their evaluation of their own popularity. Particularly in the first elections held after a period of nondemocratic rule, leaders are sometimes surprised to lose elections. Huntington calls these “stunning” elections, in which “authoritarian rulers sponsored elections and lost or did much worse than they and others anticipated.”³⁰ Following an unexpected loss, the quintessential pseudo-democrat refuses to accept the result, such as in the 2008 elections in Zimbabwe. In these cases, the presence of observers can make it more difficult for leaders to cancel the election on trumped-up grounds, as Man-

30. Huntington, *The Third Wave*, 174–78.

uel Noriega learned in Panama in 1989. Observers draw disproportionate media attention and, as an impartial third-party, their judgment of the rightful victor has more credibility. Additionally, methods such as the parallel vote tabulation (also called the quick count) have made it relatively easy to prove that manipulation has taken place in the vote tabulation process.³¹

It is also possible that leaders may be so skilled at manipulation that observers fail to catch government-orchestrated election fraud. A direct test of this proposition is impossible, but improvements in election observation should mean that undetectable manipulation is increasingly expensive and rare. Observers have expanded the scope of their mission to include virtually all portions of the electoral process and to coordinate with domestic election observers and other domestic actors. Therefore, for perfectly concealed electoral manipulation to succeed it would have to be hidden not just from international observers but from all other actors, many of whom would have a vested interest in exposing efforts to manipulate the election. In theory, the forms of election manipulation that are less detectable should be more difficult, more costly, or more risky to carry out. Changing vote totals takes only the stroke of a pen. Covert election manipulation requires the capacity to manipulate effectively and unobtrusively and the use of only effective and concealed tools of election manipulation. For example, the now notorious pre-election poisoning of presidential candidate Viktor Yushchenko in the Ukraine was never traced and could be an example of well-concealed and indirect election manipulation.³² Even in this case, however, because of other problems with the election, Ukraine received a strongly negative report from the OSCE/ODIHR. Manipulation of the electoral rules or gerrymandering are indirect and often legal, but even these forms of manipulation can provoke criticism from observers.³³

When pseudo-democrats choose the second option and invite observers while manipulating the election, observers can have a variety of effects, including directly reducing election fraud, motivating pseudo-democrats to choose less effective or more expensive forms of manipulation, or condemning an election as fraudulent and therefore making international

31. Garber and Cowan, "The Virtues of Parallel Vote Tabulations"; Estok, Nevitte, and Cowan, *The Quick Count and Election Observation*; Bjornlund, *Beyond Free and Fair*.

32. Interestingly, both sides claim the Yushchenko poisoning was an effort to manipulate the election covertly: Yushchenko's opponents claim he did it to himself in a bid for sympathy and to discredit his opponent, and Yushchenko's party claims it was a deliberate effort to prevent him from winning.

33. Calingaert, "Election Rigging and How to Fight It"; Schedler, "The Nested Game of Democratization by Elections"; Birch, "Electoral Systems and Electoral Misconduct."

or domestic consequences more likely. Concealed forms of election manipulation may be more or less effective than ballot box stuffing or stealing vote totals, but the expanding scope of election monitoring should constrain the “menu of manipulation” available to pseudo-democrats.³⁴

Empirical Implications

State Leaders and the Decision to Invite Observers

There is no single conclusive test of my argument. Rather, the dynamics outlined above generate a number of empirical implications about the diffusion of international election monitoring and the domestic consequences of observed elections. If my theory is true, the empirical evidence should be consistent with the implications outlined below. To be most convincing, I must also demonstrate a lack of support for alternative explanations, and this is considered separately in the relevant empirical chapters. The following twelve empirical implications follow directly from my theory and are presented in the order that they are evaluated in the remainder of the book.

First, because of the manner in which international benefits are allocated, Cold War alliances should dictate patterns of observation before 1989. The only governments likely to benefit from signaling a commitment to democracy during the Cold War should have been those that were already anti-communist. After the Cold War, the value of anti-communism decreased relative to democracy, and formerly communist or nonaligned states became eligible for democracy-contingent benefits.

1. Before 1989, only U.S. and Western allies should be eligible for democracy-contingent benefits. After 1989, all benefit-seeking governments should compete for democracy-contingent benefits. Therefore, only U.S. allies should invite observers during the Cold War, and U.S. and non-U.S. allies should invite observers after the Cold War.

The diffusion of election monitoring should also exhibit observable empirical patterns over time and space. My theory predicts that early inviters of international monitors should be different from those who invited them in the latter period of election monitoring. On average, they should be more democratic and hold cleaner elections in the early period

34. Schedler, “The Menu of Manipulation.”

of election observation. As cheating pseudo-democrats began to mimic the signal of true democrats, the average level of democracy among inviting countries should decrease. Eventually, as election monitoring became an international norm and nearly all benefit-seeking governments had the incentive to invite observers, inviting countries should converge toward the average level of democracy throughout the developing world.

2. Initially, leaders who invite observers are likely to be more democratic than the average. Over time, there should be convergence between the average level of democracy in developing countries and the average level of democracy among governments that invite observers.

The third empirical implication stems in part from the observation that leaders with highly uncertain government types should have the most to gain by signaling their commitment to democracy. This tendency was recognized in the early 1990s by Samuel Huntington and Thomas Franck, two prominent scholars of democracy in political science and international law, respectively, who separately noted that international observers were expected at virtually all transitional elections.³⁵ Governments without experience with democracy should be the most likely to invite observers, such as those holding the first multiparty elections, governments holding elections after a nondemocratic alteration in power such as a coup, or those holding the first elections following independence.

3. Governments with highly uncertain regime types should be more likely to invite observers, including those holding the country's first multiparty elections, transitional governments holding elections following a period of nondemocratic rule, and elections held after previous elections had been suspended.

Conversely, governments with certain regime types, including unambiguously democratic and unambiguously autocratic governments, should be less likely to invite observers. Governments that successfully establish a reputation as fully democratic can graduate from the expectation that they should invite international observers. Two implications follow.

4. Countries that hold elections but that do not allow electoral competition should be unlikely to invite election observers.

35. Huntington, *The Third Wave*; Franck, "The Emerging Right to Democratic Governance."

5. Countries that are widely considered consolidated democracies or that become widely perceived as such after having invited observers should be unlikely to invite observers.

Similarly, increases in the probability that elections are observed should follow increases in the available democracy-contingent benefits, the existence of which may also vary by region.

6. The rate of election monitoring should increase with increases in available democracy-contingent benefits.

States receiving high levels of foreign support for other reasons should be less likely to invite observers, especially those states that are strategically important to the United States.

7. States that are strategically important to the United States for reasons unrelated to their regime type should be less likely to invite observers.

Democracy-Contingent Benefits and International Pressure

From the supply side of election monitoring, my theory suggests several patterns of behavior among democracy promoters. Changes in the provision of democracy-contingent benefits are modeled as an exogenous shock in my argument. Democracy promoters must have changed their behavior in order to generate such a shock and must have provided democracy-contingent benefits. Therefore, during the period in which election monitoring was initiated, some democracy-contingent benefits must exist and incumbents must be aware that they exist. Democracy promoters should link democracy-contingent benefits to election monitoring only after they believe that all true democrats invite observation. This generates an over-time prediction representing a corollary to (6) above.

8. Before election monitoring is initiated, there should be evidence of an increased link between democracy and international benefits. As election monitoring spreads, democracy promoters should marginally increase benefits to democratizing states but should link democracy-contingent benefits overtly to election monitoring only after the norm is generated or after they believe that all true democrats invite observers.

After election observation is accepted among democracy promoters as a valid signal, if pseudo-democrats are caught manipulating the election and

observers issue a strongly negative report, pseudo-democrats should face various consequences. Leaders should forgo international benefits but may also face domestic protest and other costs for being internationally criticized for election fraud. International election observers are rarely the only voice criticizing a fraudulent election: domestic election observers, opposition political parties, and other governments also comment on election quality. It appears to be easier, however, for motivated regimes to discredit domestic actors as biased or as sore losers. Unlike domestic observers and opposition parties, international observers are relatively risk-free in their criticism, so when reputable observers do issue an overtly negative report, it is more likely to be viewed as credible. Additionally, their reputations are formed internationally, and when leaders attempt to discredit the reports of internationally reputable observers as biased, they are usually unsuccessful. Nevertheless, an important implication of the theory is that if a negative report is issued, the sanctioned government should face reduced or forgone international benefits.

9. Governments that invite observers and receive a negative report should receive reduced international benefits.

Similarly, as the norm took hold and democracy promoters developed the belief that all true democrats invite observers, those governments that refuse observers should be treated as pseudo-democracies by democracy-promoting actors.

10. After the norm developed, few governments should refuse observers, and there should be consequences for not inviting observers. Countries that do not invite observers should be perceived as pseudo-democrats.

Domestic Consequences of Election Observation

In addition to international reaction to negative reports, observers can potentially influence election fraud in a variety of ways. If observers reduce election fraud directly, they make it more difficult for leaders to steal votes on election day and effectively lower the vote share for cheating parties. Direct deterrence of manipulation may also take place in other periods of the electoral process. Leaders may be less likely to abuse state control of the media or shut down certain TV stations if international observers are monitoring the media and issuing regular reports on the amount of air time devoted to each candidate. Nevertheless, I focus primarily on the possibility that observers have a direct effect on election day behavior.

11. Election monitoring should be more costly to pseudo-democrats than true democrats. If observers reduce election fraud, pseudo-democrats should perform worse in the presence of observers.

My theory also predicts an evolving game of strategy between pseudo-democrats and international observers. Because observers prefer to be accurate, as more pseudo-democrats invite observers, election observers and democracy promoters have the incentive to develop better fraud-detection technology. As observers get better at catching fraud, pseudo-democrats should work to reduce the chances they will be criticized. The scope of monitoring and the ability of incumbents to conceal their cheating should therefore escalate jointly. It is not only international observers who benefit from higher-quality monitoring. As international actors accepted election observation as an international norm, it was used to distinguish between true democrats and pseudo-democrats. True democrats, international observers, and democracy promoters wish to increase the accuracy of the signal by making it more costly for pseudo-democrats to invite observers and get away with election manipulation.

12. Forms of manipulation and observation should change over time, with observers expanding their focus and manipulation becoming less direct as the quality of election monitoring improves.

Toward a Theory of Signaling Norms

Within the field of democratization, international pressure for democracy has made a number of other characteristics of democratic elections widespread, such as independent election commissions, nationally centralized voter registers, the publication of election results at polling stations, and the use of transparent ballot boxes, uniform ballots, and indelible ink. Although there are advocates for some of these practices, I would argue that the reason they have diffused is not because norm entrepreneurs campaigned for indelible ink to safeguard against multiple voting, for example, but rather because using indelible ink (and the iconic election day photos of smiling voters proudly displaying their purple fingers) has become a widely shared behavioral expectation and internationally recognized signal for governments holding elections in developing countries.

In much of the existing work on international norm formation, some actors have the incentive to promote the global diffusion of the new international norm. In the case of election observation, if I assume that

democracy-contingent benefits are finite, it would not necessarily be in any actor's interest for the norm to develop, particularly when the practice was initiated and began to spread rapidly. Notably, the norm of election observation was actually generated in part by the actors who are most hurt by the normalization of the practice. In this case, true democrats face little cost if election observation becomes a widely accepted international norm, although they may face increased competition over scarce international benefits. Increasingly constrained pseudo-democrats, in contrast, would be better off if the norm did not exist.

This theory has the potential to explain a subset of international norms that have not attracted the support of committed activists, are not imposed by powerful states, and do not necessarily help facilitate international cooperation. Because of this, signaling norms may seem more benign or less interesting at first glance, but I argue that they are just as consequential as those that arise through other causal mechanisms, if not more so. They are the unintended result of strategic interaction, but they become an important part of the rules and norms governing international politics.