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## Resource Wealth and Democracy: Challenging the Assumptions of the Redistributive Model

**Janosz Schafer**

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**Department of International Development**

**London School of Economics and Political Science**

**Houghton Street**

**London**

**WC2A 2AE UK**

**Tel: +44 (020) 7955 7425/6252**

**Fax: +44 (020) 7955-6844**

**Email: [d.daley@lse.ac.uk](mailto:d.daley@lse.ac.uk)**

**Website: <http://www.lse.ac.uk/internationalDevelopment/home.aspx>**

Candidate Number: 27808

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**Abstract:**

Thad Dunning (2008) bases his theory of the effects of resource wealth on political regime outcomes on the redistributive model and finds that resources can have a democratizing effect because they can mitigate redistributive pressures. By criticizing two assumptions underlying Dunning's theory, namely that the elite controls the military and that democracies redistribute more than autocracies, this dissertation amends Dunning's theory and thereby changes its scope. This dissertation thus contributes to explaining regime variation in resource rich countries.

## **Table of Contents**

<b>Abstract</b> .....	2
<b>List of Figures</b> .....	4
<b>1. Introduction</b> .....	5
<b>2. Theoretical Foundations</b> .....	7
2.1 Negative effects of resource wealth.....	7
2.2 Challenges to the authoritarian effects of resource wealth.....	8
2.3 Thad Dunning’s Model and its origins.....	9
2.4 Challenges to the assumptions of the redistributive model.....	12
<b>3. Argument and Methodology</b> .....	14
<b>4. Case studies</b> .....	17
4.1 Ecuador 1972-1976 – Autocratic reversion that put the military and the elite at odds.....	17
4.2 Venezuela 2002- The military protects a fragile democracy.....	20
4.3 Peru 1969 – A military regime increases redistribution.....	22
4.4 Ecuador 1976 -1988 - Elite pushes for democracy for its own benefit..	25
<b>5. Analysis and Implications</b> .....	28
5.1 Analysis.....	28
5.2 Implications.....	30
<b>6. Conclusion</b> .....	35
<b>7. Bibliography</b> .....	37

**List of Figures**

Figure 1: Dunning's model.....32

Figure 2: Amended version of Dunning's model.....32-33

Figure 3: Outside the scope of Dunning's model.....34

## **1. Introduction**

One of the biggest paradoxes of development is the fact that resource-rich countries often fare worse than resource-poor countries. Since the 1980s, the developing world has become more prosperous, democratic and peaceful yet most of this progress has occurred in those countries without significant natural resources while those with resource wealth have developed little or are even worse off now than they were three decades ago (Ross, 2012, p. 1). This empirical phenomenon that mineral-abundant countries (particularly developing countries) are more prone to negative economic and political outcomes is dubbed the “resource curse” and has been unequivocally accepted by most political scientists and economists (Luong and Weinthal, 2006, pp. 1-3). In this vein, many scholars also find a negative relationship between natural resource wealth and democracy. Resources, they argue, fuel authoritarianism through various mechanisms with rents providing sustenance for unaccountable rulers, being used to buy off opposition and to fund the internal security apparatus (Mitchell, 2011, p. 2). At the same time, citizens are less likely to demand political rights, accountability and representation because rents make the government largely independent from tax payments (Brooks and Kurtz, 2016).

Thad Dunning (2008) challenges this conventional wisdom by proposing a game theoretic model that conditions the political effects of resource wealth on two variables: the degree of inequality in the economy and the size of the non-resource economy. His model is based on the redistributive idea that elites weigh the costs and benefits of repressing democracy or toppling a democratic regime. There are two factors that influence this calculation: firstly, the desire to control the resource rents and secondly, the anticipated increased redistribution of their assets under a democratic regime. If the non-resource sector is big and there is high inequality in the non-resource sector, then the elite will place greater importance on the mitigating effects of resource rents than on controlling the resources; by providing funds for public expenditures, resource rents lessen redistributive pressures on non-resource wealth (Dunning, 2008, pp. 7-17).

Dunning's theory relies on two assumptions: firstly, that elites can stage a coup or oppose democracy via control of the military and that, secondly, under democracies there will be more redistributive pressures than under autocracies. This dissertation will challenge these two assumptions by showing that the military is oftentimes an independent principal as opposed to a dependent agent of the elite. Hence, Dunning's model of regime variation holds only where the elite can control the military. It will also be shown that democracies do not generally redistribute more than authoritarian regimes. As a consequence, elites will favour lower redistribution regardless of regime type. Thus, the model can be expanded to explain democratization processes driven by elites. These two findings will be used to amend Dunning's model for explaining regime variation in resource rich countries.

Dunning's model constitutes an important departure from theories that stress the authoritarian effects of resource wealth. He successfully shows that the influence resources have on political regimes depends on other variables. This dissertation continues this search for a refined theory. By amending Dunning's model it simultaneously contributes to broader democratization studies as well as to studies determining the effects of resources on a country's regime.

This dissertation continues as follows. The second section will discuss the theoretical foundations of Dunning's theory as well as explain his model in greater detail. The third section explains this dissertation's argument and introduces the methodology used. The fourth section will introduce four country case studies that provide empirical support for challenging the assumptions of the redistributive model in order to strengthen the argument put forward. The fifth section discusses the findings and explains the proposed changes to Dunning's model. The sixth section concludes.

## **2. Theoretical foundations**

### **2.1 Negative effects of resource wealth**

It is important to situate Dunning's theory within the wider literature to understand the importance of his contention that resource wealth can have a democratizing effect on a country's political regime. The theoretical starting point for assessing the supposedly negative effects of resource wealth on a country is the so-called "resource curse". The resource curse describes a phenomenon by which large quantities of natural resources paradoxically negatively influence a country's development path. Paul Collier (2008) identifies three mechanisms through which the resource curse operates: the "Dutch Disease", volatile revenues, and democratic dysfunctionality. While all three mechanisms are worthy of inquiry, this dissertation will engage only with the democratic, or rather non-democratic, effects of resource wealth.

The first analyst to proclaim that natural resources lead to or strengthen authoritarian regimes was Mahdavy (1970) who observed that petroleum rents constituted an external source of revenue that directly accrued to the government and rendered them unaccountable to citizens. Huntington (1991) later picked up on that idea and deduced that because oil revenues reduced or eliminated the need for taxation they also reduce the "need for the government to solicit the acquiescence of the public to taxation" and claimed that "the lower the level of taxation, the less reason for publics to demand representation" (Huntington, 1991, p. 65).

There are also other causal mechanisms that make oil states less democratic besides this reversed Boston Tea Party argument. Ross (2001) identifies three such mechanisms: the rentier effect, the repression effect and the modernization effect. The rentier effect describes, besides the above mentioned taxation effect, how the state uses resource rents for patronage and thereby limits the pressures for democratization. The repression effect illustrates how the state utilizes rents to fund a security apparatus that protects it against potential challengers. Lastly, the modernization effect postulates that resource-led growth misses those cultural and



social changes that normal economic development brings about and that are conducive to democracy. These changes include increased literacy, urbanization, professional differentiation and associational membership (Kraus and Smith, 2005).

These theoretical considerations seem to be validated by numerous empirical cross-country studies that find evidence for the hypothesis that resource wealth fuels authoritarianism (Jensen and Wantchekon 2004; Goldberg, Wibbels and Mvukiyehe 2008; Ross 2012; Aslaksen 2010). Is there, then, a first law of petropolitics that “the price of oil and the pace of freedom move in opposite directions?” (Friedman, 2009, p. 31).

## **2.2 Challenges to the authoritarian effects of resource wealth**

There are both theoretical and empirical challenges to these proclaimed authoritarian effects of resource wealth. First of all, it does not seem intuitively logical why citizens that pay little or no taxes should as a consequence not demand an accountable government in return. After all, they still want public provisions, services and put some limits on the arbitrary power of the state. In fact, Albertus and Menaldo (2014) argue that it is precisely this desire to constrain the power of the state that drives democratization – regardless of whether taxes are paid or not. Secondly, there is little reason why economic growth spurred by the resource sector should not lead to economic diversification and in turn to those factors mentioned above that are conducive to democracy – whether it does or not seems to depend on other conditions. Dunning (2008) and Kraus and Smith (2005) show, for example, how the oil sector had considerable spillover effects in Indonesia, Congo, Ecuador, Trinidad and Tobago and Venezuela to the effect that these countries democratized. Lastly, none of the causal mechanisms identified by Ross are absolute: while they might hinder the emergence of democracy, their presence will not necessitate an undemocratic regime.

Based on these considerations which cast doubt on the “first law of petropolitics” there should be more empirical variation in regime outcome where resource wealth is present. In fact, other studies offer supporting evidence to the claim that

the effect of oil is not necessarily authoritarian (Kraus and Smith, 2005; Dunning, 2008; Haber and Menaldo, 2011; Brooks and Kurtz, 2016). Some of these authors criticize earlier studies based on methodological issues. For example, Brooks and Kurtz (2016) argue that efforts to determine the causal linkages between natural resource wealth and political regimes have been complicated by the fact that both democracy and oil revenue are endogenous to earlier industrialization processes and that democracy is interdependent, rather than solely a function of the domestic political economy. When accounting for these factors they find that oil is not always in itself a curse. Similarly, Haber and Menaldo (2011, p.1) claim that “numerous sources of bias”, such as omitted variables, may be driving the proclaimed negative relationship between oil and democracy and when they account for them they find that “increases in resource reliance are not associated with authoritarianism”. Other authors argue to have identified conditioning variables that can account for variation in regime outcome. Jones Luong and Weinthal (2010), for example, highlight the importance of whether the oil industry is owned publicly or privately, while others claim that institutions determine whether resources act as a curse (Robinson, Torvik and Verdier, 2006 and 2014).

### **2.3 Thad Dunning’s Model and its origins**

Thad Dunning (2008) joins this group of authors that argue for a more nuanced understanding of the effects of resources. In this vein, Dunning regards the size of the non-resource economy and the inequality in that sector of the economy as conditioning variables influencing the political outcome of resource wealth. This is because an increase in the value of both variables, also increases the elite’s concern about the redistribution of non-resource income and wealth (Dunning, 2008, p. 62). Consequently, resource rents can act as mitigating forces on redistributive pressures from below. This is because resource rents can be used to pay for public expenditures and therefore they can lower the preferred tax rate by the poor in a democracy. This leaves the non-resource wealth of the elite largely untouched. Dunning calls this effect of resources the indirect “democratic effect” (Dunning, 2008, p. 11)

Conversely, if the value of these variables is low, the elite will have greater incentives to control the extraction of the resources themselves: when resources are the only “game in town” and there is not much political conflict over non-resource distribution, then resource wealth exerts a direct “authoritarian effect” instead of a “democratic effect” and elites will oppose democratization or consider staging a coup (Dunning, 2008, pp. 7-11). To formalize this logic, Dunning develops a game theoretical model in which as a first step, a poor majority sets the economic policy, meaning tax levels and allocation of rents. As a second step, the rich elites then decide whether to stage a coup or not, based on their desire to control rents themselves and the actual or anticipated extent of economic redistribution (Dunning, 2008, pp. 7-11).

The theoretical origins of Dunning’s model lie in the redistributive theories of democratic breakdown. Drawing on the Meltzer and Richards model of median voters, which assumes that the distribution of income is skewed to the right and therefore the democratic majority will implement tax policies that redistribute this wealth, these theories suggest that regime change is driven by the elite’s fear of redistribution (Slater, Smith and Nair, 2014, p. 355).

Recently, Acemoglu and Robinson (2005, p. 18) have succinctly stated this premise:

*“Because the main threat against democracy comes from its redistributive nature, the greater redistribution away from the elites the more likely they are to find it in their interest to mount a coup against it” and “in democracy, the elites are unhappy because of the high degree of redistribution and, in consequence, may undertake coups against the democratic regime.”*

Another theorist who uses the redistributive model as a basis for his theoretical framework is Carles Boix (2003). Similar to Acemoglu and Robinson he argues that “a political regime is a mechanism employed to aggregate individual preferences about the ideal distribution of assets” and that the elite’s inclination to oppose democracy increases as the level of inequality, and therefore potential redistribution, increases (Boix, 2003, p. 10).

The main difference between Dunning's model and that of Acemoglu and Robinson and Boix is, however, that for Dunning high inequality in resource-rich states will increase the democratizing effect of resource wealth because then the mitigating potential of resource rents on redistributive pressures will be stronger, while for Acemoglu and Robinson and Boix high inequality will increase the likelihood of authoritarianism as it increases the cost of democratization for the elite. This difference, then, is what distinguishes resource-poor states from resource-rich states.

What those theories share, however, are two assumptions: firstly, that the elite controls the military and that they can, therefore, stage a coup or prevent democratization if they find that the costs associated with democracy are too high and secondly, that living under autocratic rule is less costly for elites than living under democratic rule.

To explain the elite's control over the military, Acemoglu and Robinson (2005, p. 224) argue, for example: "given that coups are generally undertaken by the military, our approach presumes that for various reasons, the military represents the interests of the elites more than those of the citizens" and "we simply take as given the possibility that, at some cost, the elites can control the military and mount a coup against democracy." Similarly, Boix (2003, p. 16) sees the military as agents of the elite who will "intervene to sustain property rights of capitalists".

While Thad Dunning (2008, p. 63) admits that the power of the elite to stage a coup fluctuates he never specifies based on what. Effectively, he also assumes an inherent connectedness between the military and the elite which is manifested by the fact that the military does not play an independent role in his model and is de facto treated as an agent of the elite. Moreover, Dunning (2008, p. 9) also argues that "the ultimate tax policy depends on the actions of the elites", thereby implying that it is well within the elite's power to topple a democratic regime.

## 2.4 Challenges to the assumptions of the redistributive model

Assuming elite control over the military, however, is highly problematic. In fact, recent work into the connection between redistribution and regime change has raised serious questions as to what extent there is any permanent or durable link between the elite and the military (Smith, 2010, p. 421). This work builds, *inter alia*, on an analysis carried out by Janowitz (1977) who identified at least five different roles for the military in developing countries and in only two of those are the elite's interests somewhat aligned with the military's interests. Similarly, writing specifically about Latin America where the military is an integral component of society, Lowenthal (1986, pp. 5-13) finds that sometimes the military acts on its own behalf, sometimes to protect landowning oligarchies against challenges to their wealth and sometimes to help the middle-class and organized labour. Furthermore, Huntington (1968, p. 203) contends that the military is often the key force that brings about middle-class empowerment as they "play a highly modernizing and progressive role (...) challenge the oligarchy, and (...) promote social and economic reform."

Albertus (2015) conducts an in-depth case study of Peru and a cross-case study of Latin America and finds evidence that confirms Huntington's analysis of a reform oriented military and corroborates challenges to the idea that the military acts as the faithful agent of the elite. Haggard and Kaufman (2012, p. 512) confirm this more nuanced understanding of relationships between military and elite in cases of re-distributional conflict: "In the 11 cases in which distributive conflicts were implicated in the collapse of democratic rule, the military could plausibly be seen as an agent of either elites (elite-reaction reversions) or excluded social forces (populist reversions). However, in many of the other cases, the military entered politics largely on its own behalf."

The second assumption underlying redistributive models of democratic breakdown is that democracies redistribute more than autocracies. Again, this is because the poor majority is assumed to use its political influence under democracy to "soak the rich" (Dunning, 2008, p. 64) through taxes, land reforms or other redistributive

measures. Consequently, the elite will try to resist democratization pressures originating from the masses or topple existing democracies when they are deemed too costly. Therefore, the rise and fall of democracies reflects deeper struggles between the elites and the masses over the distribution of wealth and income (Haggard Kaufman 2012, p. 495).

However, Haggard and Kaufman (2012) test this claim and find that distributive conflict is present in just over half of the analysed cases of transitions to democracy. Similarly, less than one third of all democratic reversions are driven by distributive conflict. Instead of redistributive conflict, they offer other causal pathways for regime change. One that provides the biggest challenge to the redistributive theories mentioned is that elites actually favour democracy over autocracy.

There are two explanations for why the elite would prefer democracy over autocracy. First, as Ansell and Samuels (2010) show, democratization can be understood as a process of ascending economic groups demanding protection from the state. As their wealth grows, so does their concern about protecting it. This concern is based on statements made by Olson (1993) who observed that a government powerful enough to enforce property rights is also a potential threat to those same rights and that history does not provide a single example of autocracies respecting property rights for a long and uninterrupted period of time. Therefore, it is only in democracies, where citizens can confidently expect their rights and property to be respected across generations.

Second, not only do elites want protection from an intrusive state, they might also consciously promote democracy because they do not have to fear higher redistribution under democracies. Albertus and Menaldo (2014, p. 575) argue that “while the distribution of income is right skewed throughout the world, redistribution from the rich to the poor is not higher in democracies than autocracies.” They explain this by showing how powerful elites can manage and influence the democratization process so that their economic interests are protected by the constitutional framework even after they cede power. Therefore, elites might

favour democracies because their wealth does not depend on a capricious ruler but rather can be protected by the legal framework and conservative parties.

Challenging these two assumptions, however, is not to say that redistributive theories of democratic breakdown are wrong. They oftentimes adequately describe the causal mechanisms that lead to democratic failures or reversals. However, this theoretical discussion has highlighted the fact that sometimes their proposed alliance between the elite and the military does not hold and that democracies are not necessarily more redistributive. The argument detailing the implications of this theoretical discussion will be considered next.

### **3. Argument and Methodology**

The literature review above has highlighted two erroneous assumptions of the redistributive theory that underlie Thad Dunning's model of the effects of resource wealth on political regime outcome. These findings have important implications for Dunning's model with regards to its scope. If the military is oftentimes not controlled by the elite, acting on its own behalf instead or in the interest of the poorer majority, then Dunning's model of regime change based on the elite's cost benefit calculations only works in those instances where the elite does in fact control the military. Thus, the theory can only be used to explain autocratic reversals/autocratic regimes which the elite regards as beneficial and where the elite controls the military in order to carry out a coup or sustain the regime. Similarly, it can only explain democratic transitions/democratic regimes where the elite had the opportunity to stop or topple them but decided that to do so would be too costly. What it cannot explain, on the other hand, are autocratic reversals/autocratic regimes carried out or run by the military acting in its own interest and democratic transitions/democratic regimes that the elite did not want but could not prevent. This reduces the scope of the applicability of Dunning's theory.

Moreover, if autocracies and democracies are not per se linked to higher or lower levels of redistribution, then elites do not naturally want to transition from

democracy to autocracy to protect their wealth but instead from high redistribution to low redistribution, regardless of regime type. While this does not change the elite's cost-benefit analysis it would allow for the model to explain regime change from autocracy to democracy which is driven by, and not only accepted by, the elite. This would broaden the scope of the model and add more explanatory power.

Challenging the assumption of the elite's control of the military and higher redistribution in democratic regimes, thus, changes the explanatory scope of Dunning's model. To test the challenges put forward by the theoretical discussion, we can formulate four interlinked hypotheses that we would expect to observe instead of Dunning's assumptions. If found to be true these hypotheses would corroborate the challenges to the assumptions explained above.

*Hypothesis 1: A transition to autocracy could be carried out by the military and be detrimental to elite interests*

*Hypothesis 2: An elite could want to transition to autocracy but the military protects the democratic regime*

*Hypothesis 3: An autocratic regime could redistribute more than a democratic regime*

*Hypothesis 4: An elite could want to transition to democracy for its own benefit*

The nature of the argument, of course, influences the methodology used. Therefore, this dissertation will use case studies to test the validity of Dunning's assumptions and to corroborate the hypotheses developed above. Case studies are suited for this approach because evidence drawn from case studies may falsify necessary conditions (Gerring, 2007, p. 42) which are "required for theories to operate" (Van Evera, 1997, p. 71). In the argument put forward by Dunning, the elite's control of the military is a necessary condition. Another necessary condition that is implicit in Dunning's model is the idea that democracies distribute more than autocracies. If the elite do not control the military, they cannot stage a coup,



and, if democracies do not redistribute more than autocracies then the elite's resistance to democracy based on redistributive considerations would wither.

The case selection process was driven by the aim to find deviant cases to Dunning's model. A deviant-case method selects cases that demonstrate surprising values and are poorly explained by an existing model. Moreover, deviant cases can also be used to probe for new propositions (Gerring, 2007, p. 106). Thus, this method can be used both to challenge Dunning's assumptions and to corroborate the hypotheses developed above.

For each case, this dissertation follows Van Evera's approach for testing theories. First, it will state the expected observations if Dunning's theory was valid. Second, it will state the expected observations if the hypothesis contradicting Dunning's model was valid. Third, it will explore the case to look for "congruence or incongruity between expectation and observation" (Van Evera, 1997, p. 56).

There are four cases that relate to the four hypotheses formulated. Each case, thus, focuses on a different dimension of Dunning's model and its expectations. However, they all contribute to puncturing the assumed elite-military connection and the assumed higher redistribution under democracies. Furthermore, the cases this dissertation will investigate are all located in Latin America. This is because Ecuador and Venezuela are also discussed by Dunning and thus lend themselves rather well to comparing competing explanations for the historical events. Peru, on the other hand, was chosen because it illustrates the potentially redistributive nature of authoritarian regimes very well. However, the qualifications to Dunning's theory are not limited to Latin American countries and cases.

The limitations of this approach lie in the very nature of using case studies: namely, that the limited number of cases examined only allows for cautionary conclusions. After all, the findings could be particular to the cases and not be generalizable to a broader population. In fact, for testing extant theories, Gerring (2007) recommends large-N cross-case studies, which produce more confidence in the results. However, as the nature of the present research is somewhat hybrid, namely, testing Dunning's claims and generating alternative hypotheses, the case

studies approach applied is preferable. Particularly, because case studies also help identifying causal mechanisms, which are relevant for identifying the driving forces of regime change. Moreover, the subsequent discussion section will link the present research to previous research, to show that the results are not particular to the selected cases.

## **4. Case studies**

### **4.1 Ecuador 1972-1976 – Autocratic reversion that put the military and the elite at odds**

Following Dunning's theory of an elite-led coup against democracy, one would expect a regime transition towards autocracy to be elite-driven and consequently to lead to less redistribution and more favourable policies for the elite. Contrary to that, *Hypothesis 1* developed above would allow for the possibility that a transition to autocracy is driven by a self-interested military and does not benefit the elite.

For Dunning, then, the military coup carried out by Guillermo Rodriguez Lara in Ecuador which replaced the democratically elected president Velasco Ibarra in 1972 confirms his theory that the elite stages a coup to prevent heavy redistribution (Dunning, 2008, pp. 254-258). The predicted election of Assad Bucaram, so the argument goes, who mobilized lower-class voters around anti-oligarchic appeals, triggered the elite to order the military to depose of Ibarra. Therefore, Dunning sees the motivation for the 1972 coup resting in class conflict and the anticipated redistribution.

This interpretation, however, is a superficial reading of the historical evidence and assumes a congruence of interests between the military and the elite, or a control of the elite over the military, which did not exist. While the military did form a coalition with the elite during the transition period, it fundamentally acted based on its own interest and considerations. First of all, before the coup, in 1967 there were major oil discoveries in the Eastern jungle of Ecuador. This imminent resource boom aggravated long-held concerns of the military about the corruption of past civilian regimes and their poor policy performance (Conaghan, 1988, p. 78).

Other than doubting the competence and integrity of civilian regimes, the military also planned on using oil rents to strengthen itself. In fact, Lara's new regime allocated 50% of all oil royalties to the military so that expenditures on the armed forces grew from \$42 million in 1971 to \$98 million in 1976. Given this evidence, some analysts have suggested that the prospect of oil rents played a decisive role in the authoritarian coup of 1972 (Martz, 1987).

While prospective oil rents certainly incentivized the military to take over power, another consideration weighed more heavily on their decision: they thought of themselves as the only actor in Ecuadorian politics capable of carrying out the structural reforms and economic modernization the country needed. How entrenched this belief in a politically active military was is shown by the fact that 86% of officers saw themselves as arbiters in times of national crisis (Conaghan, 1988, p. 79). Additionally, as mentioned above, the military did not trust the civilian government to responsibly and competently handle the oil resources. They feared that official misconduct as in the ADA scandal, where lucrative drilling concessions had been eventually sold off to foreigners, benefitting only a handful of Ecuadorians, would become the norm. Therefore, for the military the coup was, fundamentally, not a rejection of Bucaram's populist program but an expression of their dissatisfaction with traditional politics (Conaghan, 1988, pp. 79-80).

While it is evident that the military acted according to its own considerations, its plans for the future of Ecuador were also at odds with the elite's interests. Shortly after the coup, the military declared itself to be anti-feudal, anti-oligarchic, popular and nationalist and presented a program which included agrarian reform, restrictions on foreign investments, price controls, national ownership of key enterprises and greater state authority over private companies. As a result of these anti-elite policy plans the elite-military coalition quickly disintegrated and pitted the previous allies against each other (Conaghan, 1988, pp. 76-101).

The centrepiece of the development plan put forward by General Lara was the agrarian reform project. To combat declining production levels the agrarian reform law specified that estates with less than 80% of their area under cultivation could

be subject to expropriation by the state. Moreover, Lara's regime committed itself to combat the sharecropping system which involved potential redistribution of land. Unsurprisingly, the landowning elite mounted fierce resistance to the new law via the chambers of agriculture. Ultimately, because of this fierce opposition, less than one percent of arable land was redistributed during Lara's administration. (Conaghan, 1988, pp. 94-97).

Elite interest were not only attacked via the agrarian reform; the military also founded various enterprises that either competed with the private sector or pre-empted private sector involvement in these areas. Moreover, it installed price controls on the largest Ecuadorean industry: food-processing. To enforce compliance with targeted prices two enterprises were created to act as food purchasers and distributors. Additionally, foreign investments in commerce, finance and construction were prohibited and government approval needed for any stock transfer to foreign investors (Conaghan, 1988, p. 93).

All these endeavours were met by vehement opposition from elites who publicly mobilized against what they interpreted as the regime's attack on market mechanisms. While business opposition prevented drastic changes in the structure of the economy, it is evident that the military and the elite had different visions in mind after the toppling of democracy. Consequently, Lara's government was identified by leading industrialists as "without a doubt the worst government" full of "dreamers, ingénues, incompetents and Bolsheviks" (Conaghan, 1988, p. 76). As one analyst observed: while Lara "won the unflagging support of the Communist party" he also received "the undying enmity of the wealthy" (Pineo, 1990, p. 119).

In light of this evidence, it is hard to sustain the claim that the elite enlisted the military to carry out a coup and that a transition to autocracy will necessarily benefit the elite. In Ecuador, the military pursued its own goals, which coincided with many anti-elite policies. Therefore, the events in Ecuador from 1972-1976 suggest that Dunning's model, which predicts policies to be beneficial for the elite after an autocratic transition, does not work in instances where the elite do not control the military. At the same time, however, the preceding case study supports

*Hypothesis 1* that a transition to autocracy can be carried out by a self-interested military and can be detrimental to elite interest.

#### **4.2 Venezuela 2002 - The military protects a fragile democracy**

One of the fundamental assumptions underlying Dunning's redistributive theory is that the elite can stage a coup if actual or anticipated redistribution is deemed too costly because it has military forces at its disposal. Therefore, we would expect a coup to occur when redistributive pressures increase. On the other hand, *Hypothesis 2* above states that militaries might actually protect democracies against the elite's endeavour to topple an incumbent regime.

This is what happened in Venezuela in the attempted coup of 2002. Instead of helping elites topple the democratic regime, the military was the key player that defended the democratic constitution and ousted the coup plotters less than 48 hours after taking over power.

The origins of the coup attempt lie in the increasing class polarization and conflict that resulted from economic decline, increasing inequality and unemployment and that led to the election of Chávez in 1998 (Roberts, 2003, p. 71). While Chávez ran on an anti-liberal platform his campaign also initially made it clear that it would not pursue radical left-wing economic policies but would instead engage in prudential economic management (Buxton, 2003, p. 124). In fact, after winning the elections, the first year of his administration displayed a mixed approach to the economy, recognizing the role the private sector has to play while aligning it with national goals. Chávez's focus, during that time, was to reform the constitution to increase his hold on power (Buxton, 2003, p. 125).

Chávez's institutional reform, however, raised suspicion and concerns among the elite. The private sector was worried about the statist elements of the constitution which prohibited, for example, the privatization of the national oil company (PDVSA) and cited subsidies and tariffs as important measures for economic and social development. Chávez's close ties to Castro and Cuba further raised

suspicions about what was regarded as dictatorial ambitions. On top of that, Chávez introduced a series of measures to increase fiscal revenues including reforms to increase tax revenues by 50% (Buxton, 2003, p. 124).

In the midst of this political tension and uncertainty, oil prices dropped, increasing the economic plight of the country even further and leading to increased unemployment, recession and a doubling of the budget deficit. Chávez then further estranged elites with forty-nine far-reaching laws that were informed by the ideology that redistribution and state intervention were pre-requisites for equitable and sustainable development. These laws affected a variety of industries from insurance and banking to oil to fishing (Buxton, 2003, p. 129). Moreover, Chávez introduced “las leyes de la tierra” which specified that proprietors who did not use at least 80% of their land were either charged an inactivity tax or faced expropriation (Buxton, 2003, pp. 126-129). These redistributive measures provoked vehement opposition and pitted the elite firmly against the regime as they came to regard Chávez’s economic development approach as a zero-sum game that favoured the interest of one class above another (Buxton, 2003, pp. 126-129).

As a consequence of these anti-government feelings, rumors of a potential coup were omnipresent in the months leading up to the April 2002 coup attempt (Norden, 2003, p. 106). The catalyst for the coup itself was Chávez’s attempt to discharge the executive directors of PDVSA to cement his grip on power. Encouraged by Chávez’s drastically declining approval ratings, the elite sensed weakness and decided to act: Fedecámaras, the main business confederation, called for a general strike and mass demonstrations in front of the PDVSA headquarter. The private media joined the opposition by advertising the demonstrations every 10 minutes (Hellinger, 2003, pp. 50-51). Hundreds of thousands of protesters then moved towards the presidential palace after business leaders called on them to sack Chávez (Hellinger, 2003, p. 51).

After violent clashes between protesters and Chávez supporters, the military detained Chávez and announced prematurely that Chávez had resigned. Pedro Carmona, the leader of Fedecámaras was named interim president, immediately

suspended the constitution and tried to dismantle the institutional changes enacted under Chávez (Roberts, 2003, pp. 68-71). As a result of this and of erupting pro Chávez protests the military changed its mind and ousted Carmona after less than two days and brought Chávez back to power (Nelson, 2009, pp. 283-285).

The irresolute actions by the military during the coup can be best explained by its own internal factionalism. There were three groups in the Venezuelan military: a hardened anti-Chávez faction, a pro-Chávez group and a strong institutionalist faction that was committed to defending the new constitution (Hellinger, 2003). Thus, while many had objections to Chávez's undemocratic concentration of power it was exactly this loyalty to and concern about democracy that ultimately led General Velasco to protect the constitution and reinstate Chávez (Norden, 2003, pp. 108). According to one observer, "the Venezuelan military (...) should be lauded for its behaviour during those three days" (Nelson, 2009, p. 283): By restraining from using force against either side they avoided many deaths, prevented a coup and upheld the democratic constitution (Nelson, 2009, pp. 283-285).

Thus, the increased redistributive measures and the increased class conflict augmented the elite's opposition to Chávez and led to the coup attempt in 2002, which is in line with Dunning's theory (2008, pp. 168-175). However, the elite did not control the military and therefore could not mount a successful coup. Instead, the military decided to act against the coup plotters and defended the fragile Venezuelan democracy. This corroborates *Hypothesis 2* that the military can protect democratic regimes against the will of the elite.

### **4.3 Peru 1969 – A military regime increases redistribution**

According to Dunning's theory, elites will favour autocracies over democracies because redistributive pressures will be higher under a democratic regime. Again, this prediction is based on the assumption that military regimes act as "faithful agents" of economic elites (Albertus, 2015). Hence, they use their power to decrease all forms of redistribution and safeguard the elite's wealth. *Hypothesis 3*,

however, challenges this prediction. If the military is not the faithful agent of the elite, then there is no inherent reason for military regimes to redistribute less. Hence, *Hypothesis 3* provides for the possibility that an autocratic regime redistributes more than a democratic regime.

The case of Peru provides powerful evidence for this expectation and challenges the elite-military-nexus assumption. Instead of safeguarding the elite's interests, the regime of General Velasco directly challenged the oligarchy after taking power in 1968 as it implemented one of the most drastic agrarian reforms and nationalized companies in key industries. For example, less than one week after the coup, the Velasco Government expropriated the International Petroleum Company's holdings.

The most influential and far-reaching initiative, however, was the agrarian reform Decree Law 17716 of 1969 which stipulated that "all landholdings larger than 150 hectares on the coast and larger than 15 to 55 hectares in the Sierra were subject to expropriation without exception. Those in violation of labor laws were subject to expropriation regardless of property size" (Albertus, 2015, p. 114). The far-reaching consequences of this reform are illustrated by the fact that until 1969, Peru's economy largely revolved around agriculture: about 50% of the working population were working in that industry. Moreover, the distribution of agricultural land epitomized the vast inequality present in Peruvian society, as the biggest 1 percent of landowners held 80 percent of the land (Albertus, 2015, p. 112).

Previous to Velasco's regime, elites had avoided any significant redistribution as conservative, anti-reform sentiments dominated from 1939 to 1962. Even the democratically elected Belaundé, who promised land reform in light of mass peasant uprisings and infiltrations of haciendas was not able to break the elite's opposition: a fractious parliament and conservative opposition groups torpedoed his 1964 reform law which ended up containing so many loopholes and exceptions that its actual impact was negligible (Mayer, 2009, pp. 11-19).

It was only with the military coup of Velasco that real redistribution would finally occur. On June 24 Velasco pronounced: "peasant, the landlord will no longer eat



from your poverty" (Masterson, 1991, p. 252). During the next ten years, the government expropriated over 15.000 properties and nine million hectares of land (Mayer, 2009, p. 20). The reform concentrated the land through co-operativization and the 15.000 expropriated units were consolidated into 1.700 adjudications run by over 370.000 Peruvian families (Masterson, 1991, p. 252). Overall, the redistributed land accounted for nearly half of all agricultural land and while the reform left out the very poor sectors of the rural economy many peasants benefitted from it and it fundamentally changed the structure of society (Albertus 2015). As Mayer (2009, p.3) puts it: "it completed the abolition of all forms of servitude in rural estates, a momentous shift in the history of the Andes, akin to the abolition of slavery in the Americas."

While the government pursued multiple objectives with the land reform, such as increasing productivity and purchasing power (Masterson, 1991, p. 252), it was also a means to weaken and eliminate the landed elite as a group that could challenge the regime's power (Albertus, 2015). In fact, despite diverging tendencies among Velasco's key supporters, they were united in their favour of the redistributive land reform and in their opposition to the elite (Albertus, 2015, p. 13).

This fundamental opposition to the elite in the military is best explained by the fact that most high-ranking militaries came from impoverished provincial families and had experienced the inequalities of land distribution first hand. Additionally, the military resented the elite's influence over its budget and encroachment on military policies (Albertus, 2015, p.113-114). This led to military leaders seeking to "break the back of the oligarchy" (Albertus, 2015, p.109).

Redistribution and disempowerment, however, were not constrained to the landed elite. The period of 1970 to 1975 saw the introduction of the Industrial Law and the Industrial Communities Law that established worker participation in stock ownership, management and profit distributions (Bamat, 1983, p. 137). Moreover, the government nationalized several banks, mineral companies and other major industries and sectors (Jaquette and Lowenthal, 1987). On top of that, it created state enterprises that challenged the dominant position of private companies in the export sectors of sugar, coca, petroleum and cotton (Albertus, 2015).

Effectively, then, the Peruvian military had subordinated all societal groups into clientelistic relationships by withdrawing sources of power (Palmer, 1973, 261). By redistributing large parts of the land it broke the power of the landed oligarchy, and kept the other elite groups under control through expropriation, nationalization and laws that severely constrained their power.

The case of Peru thus challenges the assumption that democracies redistribute more than autocracies. While the elite did not experience high redistribution under the preceding democratic regime this changed drastically with the onset of Velasco's autocratic government. Therefore, the preceding case provides evidence for *Hypothesis 3* that an autocratic regime can redistribute more than a democratic regime.

#### **4.4 Ecuador 1976 - 1988 – Elite pushes for democracy for its own benefit**

According to Dunning and his redistributive model, elites allow democratization to happen only if repressing it would be too costly. He does not account for the possibility of elites actively driving democratization processes for their own benefit - after all, he associates democracy with higher redistribution. *Hypothesis 4* however, stipulates that elites want to transition from autocracies to democracies if this benefits them and leads to lower redistribution.

This is exactly what happened in Ecuador after Rodriguez Lara installed a military regime that was at odds with the elite. When the schisms between the military government and the elite became evident, the latter initiated a process to undermine and oppose the incumbent regime which would ultimately culminate in the reintroduction of democracy in 1979.

Under Lara, the elite had lost their ability to ensure beneficial policies and they were motivated to find a solution to this problem. Thus:

*“At the heart of the democratization process was the bourgeoisies' quest to restructure domination and create new avenues of access for their control over the*

*policy process. The bourgeoisies' veto of the reformist project was not only an objection to a set of substantive policies, but also a rejection of a set of procedures and styles that distanced them from state power"* (Conaghan 1988, p. 101).

The elite's opposition to Lara's policies described in the first case study eventually led to his resignation in January 1976. As was argued by Conaghan (1988), the conflicts leading up to this event were not only based on contention over policies but also over the influence and reach of the elite on the policy making process. This is not unusual: the advent of a military regime changes the access of capitalists to key policy making bodies within the state, which can become personalized and haphazard (Poulantzas, 1976). While the military coup in Ecuador did not close off all access points for the elite, the remaining channels were deemed inadequate. Moreover, the military regime was unwilling to change this situation and to provide greater access to elites (Conaghan, 1988, p. 106). Consequently, Lara was eventually replaced by a junta of military leaders that officially committed itself to restoring the relationship between the business classes and the state. However, while the termination of the reformist project improved relations, tensions and disagreements remained pertinent. In particular, continued disagreement was present over the question of which industrial exports should be promoted and the elite remained dissatisfied over its incomplete integration into the policy-making apparatus (Conaghan, 1988, pp. 117-118).

On the surface, the eventual reestablishment of Ecuadorian democracy did not seem to be beneficial to the elite. The new president Jaime Roldos Aguilera, nephew and close aid of Bucaram, stated that he wanted to "put an end to the contradiction between exploiters and exploited", (Martz, 1987, p. 247) doubled the minimum wage, reduced working hours, and put a freeze on the price of basic goods. However, in reality none of these policies came at the expense of the elite (Martz, 1987). In fact, while Roldos victory was a setback in the elite's quest to regain control over the state apparatus, the Roldos regime proved to be permeable and susceptible to elite interests. Roldos appointed well-known businessmen to his economic team and his policies were influenced by conservative ideas (Conaghan, 1988, pp. 124-125).

The final step of the elite's endeavour to re-establish democracy and with it control over the state and the policy-making process, came with the election of Leon Febres Cordero. Febres Cordero, the former executive of a large agribusiness company, was one of the elite's most vocal critics of the Lara administration and his interests were aligned with those of the other business groups. He began to forcefully eliminate opposition within the state apparatus by bribing Congressmen to desert opposing factions and by diluting the division of powers. In what came to be known as La Troncha, Febres Cordero ensured that he would be able to appoint judges of the supreme court, thereby getting access to institutions that were constitutionally outside of executive control (Conaghan, 1988, pp. 120-132). Febres Cordero thus ensured little opposition to his policies and began to give handouts to his allies. Inter alia, the elite benefitted from generous tax reductions, which were even lower than before Lara's coup (Dunning, 2008, p. 257).

Overall, then, the reintroduction of democracy benefitted the elite immensely. They regained partial control over the state, could influence policy decisions and enjoyed tax-cuts. More than lucky beneficiaries, however, the elite were the forceful driving force behind this democratization process. They used industry chambers and newspapers to pressure the military regime, gain public support and used political parties to voice demands for democracy (Conaghan, 1988, pp. 102-134).

This evidence contradicts Dunning's claim that elites favour autocracies over democracies. Elites do not naturally favour autocracies; rather they only do so when they expect beneficial policies and less redistributive pressure. Consequently, when redistributive pressures are high under autocracy or policies unfavourable, the elite drives democratization processes to safeguard its own interest. This corroborates *Hypothesis 4* which states that the elite wants to transition to democracy if that means less redistribution.

## 5. Analysis and Implications

### 5.1 Analysis

Redistributive theories of democratic breakdown assume that the elite controls the military and that redistribution will be higher under democratic regimes. Therefore, if elites perceive redistribution as too high under democracy, they will topple the democratic incumbents.

The four case studies above, however, challenge those assumptions. In Ecuador, following the coup by General Lara, the elite found itself cut out of the policy-making process and faced anti-elitist policies. In Venezuela, Chávez's rhetoric and actions sparked the elite's fear of increased redistribution and led to an attempted coup. However, instead of supporting the elite in this endeavour, the military ultimately defended the constitution and the democratic order. In Peru, the military regime of Velasco broadly attacked elite interests and redistributed much more than preceding democratic regimes. Lastly, in Ecuador the elite pressed for democratization after their unfavourable previous experience with General Lara whose regime did not benefit them.

In all four cases, the military is not acting as an agent to the elite but rather pursues its own interests which range from creating stability to implementing a development plan for the nation to protecting the democratic constitution. This evidence, then, lends support to Janowitz's (1977) and Lowenthal's (1986) observations about civil-military relationships in developing nations and Latin America in particular: instead of there being one dominant model that governs civil-military interaction, there are a great variety of different relationships.

Janowitz (1977, p. 79) for example, notices that the so-called Aristocratic model which describes an alignment of interest where "birth, family, connections, and a common ideology insure that the military will embody the ideology of dominant groups in society" is not the norm in developing nations. This assessment is

corroborated by the case study detailing the events in Peru where the strong anti-elite sentiment dominant in the armed forces was partially a result of high-ranking officers upbringing in poor conditions where they experienced the effects of inequality first hand. Rather than being connected by a common ideology then, the military was innately opposed to the elite's status as the dominant social group. Thus, the aristocratic model, which redistributive theories seem take this as the default model governing elite-military relations, is clearly only adequate in some instances (Slater, Smith, Nair, 2014).

Similarly, Lowenthal (1986) mentions the educational factors and the Esprit de Corps which clearly distinguish the military from other societal groups and imbue them with a corporate autonomy and interests. This can lead to the military envisioning itself as a protector of the country, as in Ecuador, where Lara's coup happened partially as a result of anticipated instability. It is not surprising that this perceived mission oftentimes contradicts elite's interests.

The second assumption the findings above challenge is that democracies redistribute more than autocracies and that therefore elites prefer autocracies over democracies. In Ecuador, General Lara was openly anti-feudal and anti-oligarchic and only failed to implement redistributive policies because he was faced with a strong and united elite opposition, did not secure the stable support of lower and middle classes, and ultimately, eschewed to escalate the conflict. In Peru, on the other hand, the Velasco regime specifically and successfully targeted the landed elite and redistributed around 50 percent of all agricultural land. It also targeted other industries where it redistributed wealth through nationalization and by regulating profit distributions. As a consequence, the autocratic Velasco regime redistributed more wealth than any preceding government in Peru whether democratic or autocratic.

That autocracies can be associated with high redistribution is not unusual, however. Albertus (2015, p. 129) finds that "twelve of eighteen Latin American countries experienced at least one episode of large-scale expropriation under autocracy." Similar to the Peruvian case, this higher redistribution under autocracy is often the result of a split between powerful elites and the military which carries

out the coup (Albertus, 2015, p. 131).

As a consequence of the fact that autocracies sometimes redistribute more or as much as democracies we can observe elites actively working towards democracy. In Ecuador, for example, the elite undermined and attacked the military regime until it gave way to a democratic regime which the elite could control and influence better. The transition to democracy in Ecuador was the elite's way to reassert control over the state "so that reformist projects could not resurface (Conaghan, 1988, p. 120). Again, this is not an isolated case. Albertus and Menaldo (2014) show that elite's uncertainty about their property rights under autocracy, may bring about democratic transitions that are used to capture policy-making processes in order to prevent redistribution.

## **5. 2 Implications**

Challenging the redistributive assumptions has important implications for Dunning's model, as it loses explanatory power in instances where the elite cannot stage a coup due to a lack of control over the military and gains explanatory power in instances where the elite wants to transition from high redistribution autocracies to low redistribution democracies.

The model predicts that elites stage a coup against democracy if actual or anticipated redistribution is too high (Dunning, 2008, p. 7-9). However, they are only able to do so in instances where they control the military to the degree that the military carries out the coup. The possibility for a coup, thus, does not arise unless control of the military by the elite is guaranteed. For example, in Venezuela anticipated redistribution from the Chavez regime became so costly to the elite that they tried to oust Chavez. Yet, because the military was committed to defending the constitution the coup failed. Similarly, in Ecuador, the coup by General Lara did not lead to pro-elite policies, as Dunning's model would have predicted but to redistributive conflict. This was because the military pursued its own agenda and was not controlled by the elite.

To account for the independent nature of the military, I suggest restricting the application of the model to instances where the military is aligned with or controlled by the elite. In those instances, Dunning's model holds as the elite can act on their cost-benefit calculations. Elite control of the military, then, is the sine qua non for the operation of Dunning's model for the effect of resources on regime outcomes.

The assumption that democracies redistribute more than autocracies leads the model to only account for democratic transitions which the elite tolerates (because suppression would be more costly than anticipated increased redistribution) and autocratic transitions which the elite actively promotes by staging a coup. However, the evidence presented above suggests that elites can also actively promote democratisation processes. This is because autocracies can redistribute as much or even more than democracies. Elites, consequently, propel regime change to protect their wealth. In Ecuador, the elite was the driving force behind the demise of the military regime and the eventual re-democratization. The redistributive dangers that emanated from Lara's administration were deemed too unfavourable to endure. Hence, the elite worked continuously to undermine the regime by using its control over the media and business chambers and to bring about democracy. Therefore, Dunning's model can be expanded to instances where the elite deems redistributive measures from an autocratic regime as too costly and therefore promotes democratization processes. This adds explanatory power that was previously missing from the model.



Figure 1 shows Dunning’s model where an elite decides whether to stage a coup against democracy or not based on the real or anticipated costs of redistribution.

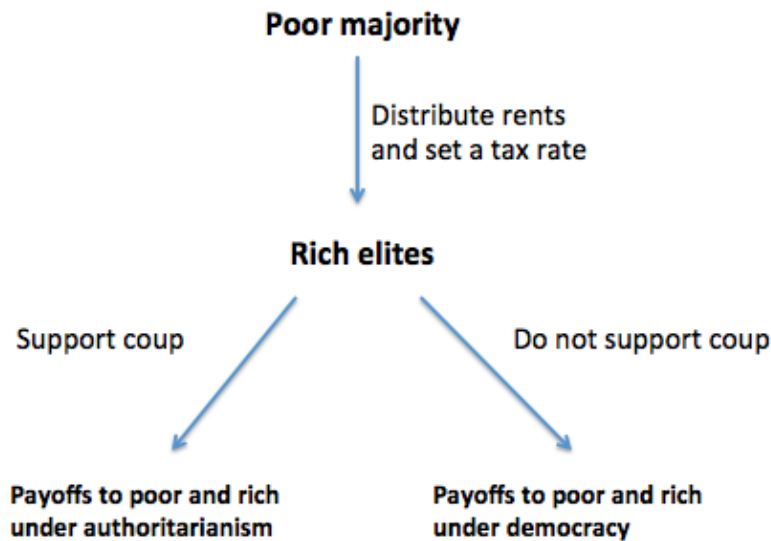
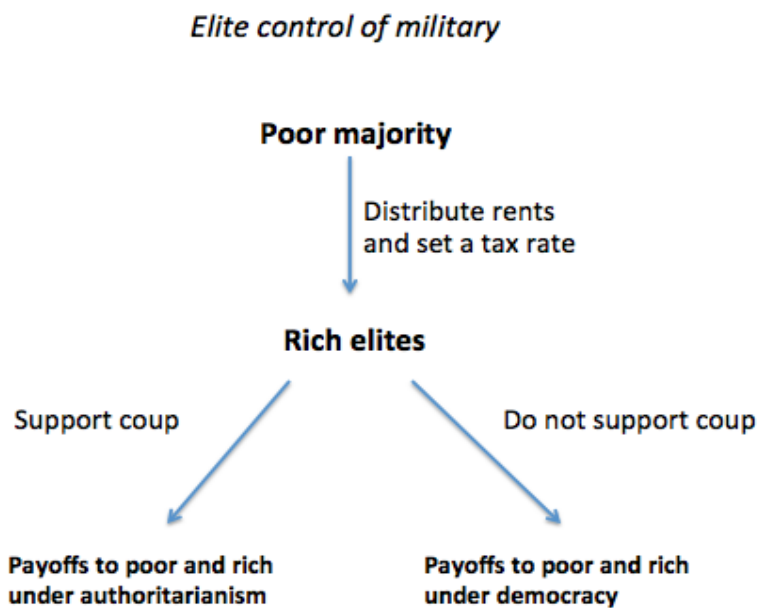
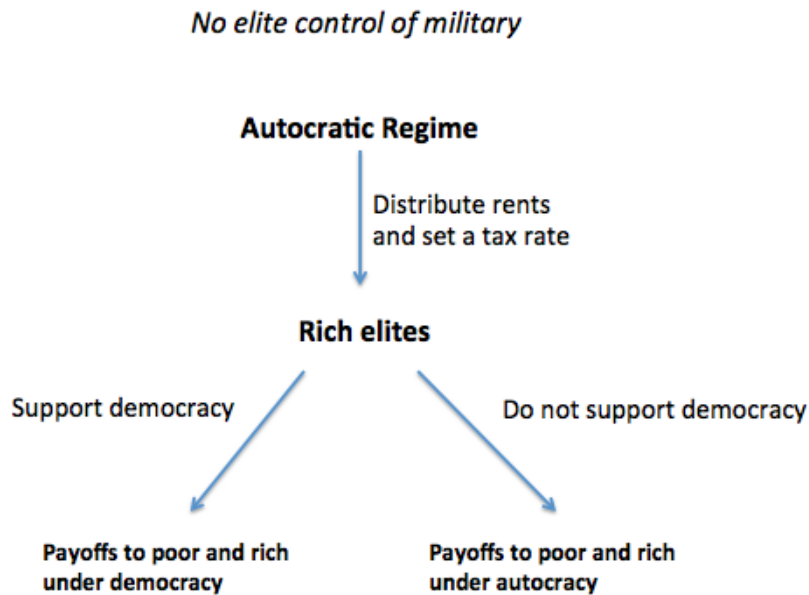


Figure 1: Dunning’s model (Dunning, 2008, p. 8)<sup>1</sup>

Figure 2 incorporates the changes that result from challenging the redistributive assumptions into a new model



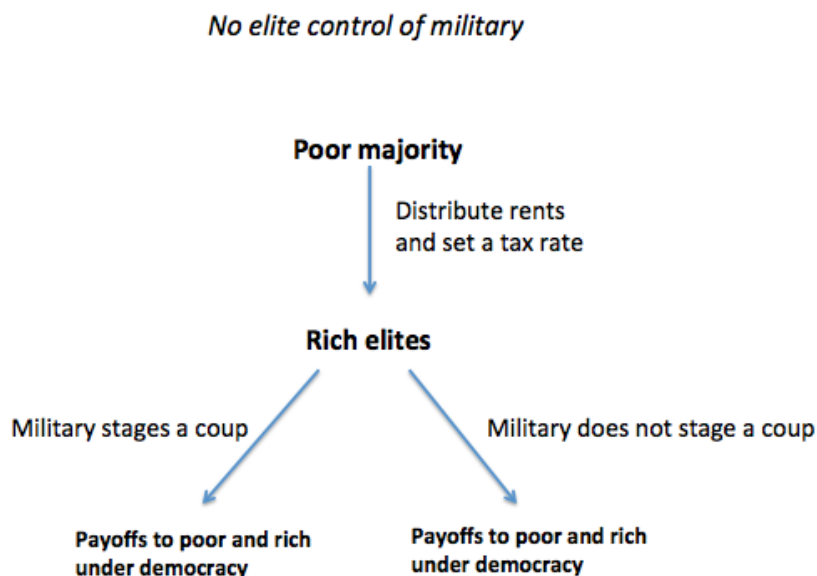
<sup>1</sup> The “tax rate” serves as a placeholder for various forms of redistribution. The argument is not limited to taxation (Dunning, 2008, p. 55).



*Figure 2:* Amended version of Dunning's model

As is evident, the new model distinguishes between a scenario where the elite does control the military and one in which it does not. The “control” scenario is equal to Dunning’s old model: if the elite regards redistribution as too costly it can employ the military to stage a coup. The “no-control” scenario, on the other hand, shows how in an autocratic regime, the autocratic leaders distribute rents and decide on redistributive measures. The rich elite can then decide whether or not to promote democratization processes based on the payoffs and costs under each regime. Thus, the new model takes into account the fact that the military is not always controlled by the elite and that elites might prefer democracy over autocracy if redistribution is too high under autocracy. Consequently, the new model accounts for regime change not only from democracy to autocracy based on the elite’s actions but also for an elite-led transition from autocracy to democracy. What unites both scenarios, however, is that the elite wants to transition from high redistribution to low redistribution.

*Figure 3* shows what now lies outside the scope of Dunning’s model, namely those instances where a poor majority decides on the economic policies in a democratic regime and where the elite does not control the military.



*Figure 3: Outside the scope of Dunning's model*

Rich elites have to accept redistributive policies or they can work towards less redistribution via democratic institutions. What decides whether or not democracy survives are not the cost-benefit analyses of the elite but the considerations and actions of the military. In some instances the military might decide to topple the democratic incumbents, in others it might decide to stay out of politics. Either way, redistributive considerations of the elite do not affect the regime outcome. This is what happened during the failed coup in Venezuela and the autocratic reversal in Ecuador under Lara.

It is important to note that Dunning's fundamental concept of cost-benefit calculations on part of the elite and the mitigating effects of resource rents still persist. Thus, the costs of democracy will be perceived as lower by an elite living under a redistributive military regime, if resource rents, rather than taxes, are likely to be used to pay for public policies. Similarly, resource rents might be used by the military regime to pay for its policies so that redistributive conflict does not escalate. This is what initially happened in Ecuador, for example, where the military used oil rents to pay for the doubling of military expenditures.

However, by adapting the model to reflect the diverse relationship between the military and the elite as well as the fact that autocracies can redistribute as much

as or more than democracies, its scope has changed: first, where the elite does not control the military, Dunning's model cannot be applied to explain autocratic transitions or the lack thereof. Second, the models' use can be expanded to instances of autocratic rule in which the elite propels democratization processes because of high redistribution.

## 6. Conclusion

The effects of resource wealth on a country's political regime are the subject of heated debate. Until recently, it was assumed that resource wealth leads to authoritarianism. That Dunning, however, is one of a number of scholars who has challenged this prediction and has developed a model that explains variation in regimes where resources are present. This dissertation set out to contribute to this debate by amending Dunning's model. It did so by corroborating two challenges to the assumptions on which his model rests, namely, that the military controls the elite and that democracies redistribute more than autocracies.

The validity of these challenges has been highlighted by the evidence presented above. In Ecuador, an autocratic transition was carried out by the military pursuing its own interest while in Peru the military regime specifically targeted the elite and significantly increased levels of redistribution. In Venezuela, on the other hand, the elite was unable to stage a coup against democracy because of the strong constitutionalist loyalty of the army. As a consequence of the elite's lack of control over armed forces and the possibility for high redistribution under autocracy, elites sometimes propel democratization processes. In Ecuador, the elite continuously worked towards undermining the regime of General Lara and to regain control of policy-making processes by re-introducing democracy. Importantly, these findings are not restricted to the cases analysed above, but are validated by research from other scholars analysing various regions of the world.

These findings change the scope of Dunning's model: firstly, where the military is not controlled by the elite, the model cannot explain autocratic transitions or the survival of democracy. Secondly, the model can be expanded to include cases

where elites drive democratization processes based on redistributive cost-benefit calculations. Ultimately, by stressing the important role of the military and by highlighting the ambivalent role elite's can play in democratization processes, this dissertation has contributed to the argument that the effect of resource wealth on regimes depends on an interplay of different variables.

In this vein, the above findings have revealed that further research is needed. For example, given the important role of elites for democratization processes, how can they be assured that redistribution will be limited under a new democratic regime? What role can resources play? How could policies target and support this group in its endeavour? This way, elites could be incentivized to propel democratization processes. Likewise, the restriction of the model highlights the need to investigate other mechanisms as well. What influences regime change in cases where redistributive considerations have limited explanatory power? Here it seems plausible to refocus attention to the military as a political actor. For example, what factors made the Venezuelan military defend the constitution while the Ecuadorian military toppled democracy? Similarly, what is the relationship between resource wealth, the military and military coups? Answering these questions would even further our understanding of democratization processes and of the nuanced effects of resources on a country's regime.

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