

**Does Information Facilitate Self-Enforcing Democracy?
The Role of International Election Monitoring***

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Does Information Facilitate Self-Enforcing Democracy?

The Role of International Election Monitoring

“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.”

General Fernando Mattei on Pinochet’s “Insoluble Dilemma”¹

Information plays a fundamental role in democratic governance. In institutionalized democracies, citizens and political parties can be reasonably confident that violations of democratic norms will be widely reported. Political actors who might otherwise be tempted to bend the rules in their favor are held in check by an informed public willing to “enforce” democracy should it become necessary. Yet for elections held in countries that are not already institutionalized democracies, unbiased information about the quality of the democratic process cannot be taken for granted. This may raise serious questions about why leaders would be motivated to hold clean elections, and how democracy in such countries could ever become institutionalized.

This article examines the role of information in the electoral process. Most elections in the world today occur under conditions in which credible sources of information are absent or constrained. In many developing countries free media is either underprovided or nonexistent, and civil society is weak or suppressed. How does the absence of credible and unbiased information on election quality influence the decision by political actors to conduct a democratic election, and to respect its outcome?

To answer this question, we develop a decision-theoretic model in which a government decides whether to manipulate an election. The government’s decision is dependent upon two factors: the existence of credible information on election quality and the cost associated with

¹ Quoted in Huntington (1991), p. 84.

being accused of cheating. We show that, absent reliable information on the conduct of the election, even an otherwise popular (and potentially “honest”) government lacks the incentive to conduct a free and fair election.

Our theoretical result motivates a second question: what kinds of institutions can help mitigate the uncertainty faced by political agents during the electoral process, and under what conditions are they effective? We argue that the rise of international election monitoring represents one institution capable of ameliorating the problem we describe. International election monitors are more widespread today than at any point in history. Observers from organizations such as the Carter Center, the Organization for Security and Cooperation in Europe, and the European Union have been present at two out of every three elections held in the non-Western world since the mid-1990s. The modest scope of scholarly attention paid to election observation is dwarfed by the amount of publicity they generate in the countries they visit, as well as the attention they receive as a prominent component of democracy promotion policies.²

To further the debate, we derive two conditions that must hold for monitors to effectively reduce electoral manipulation: (1) *information provision*: observers should improve the quality of locally available information on the conduct of the contest; (2) *costly cheating*: incumbents who cheat should face consequences. Condition (2) can be satisfied either by: (a) *domestic protest*: domestic publics should be more likely to mobilize and protest an electoral outcome following a negative report from election observers, or (b) *international sanction*: international actors should be more likely to punish states where election monitors criticize the election.

Following the model, we evaluate these conditions empirically. For the argument to hold,

² Existing scholarly studies of election observation either cover a relatively small number of cases, or are mostly aimed at policy practitioners. Exceptions include emerging experimental work on whether observers deter election-day fraud (Hyde 2008, Vicente 2006), and on the development of electoral observation as an international norm (Bjornlund 2004, Kelley 2008, Santa-Cruz 2005, Hyde 2006).

information on election quality should be more credible when observers are present than when they are not. Evidence about the ways in which most international monitors collect evidence of electoral malpractice, check their sources, and publicize their opinions suggest that this is a reasonable assertion. Additionally, since the mid-1990s, evolving professional norms of election observation have made them increasingly better able to detect, synthesize, and make public information on election quality.

A second observable implication is that leaders revealed as election manipulators should face some increased cost as a result. Empirically, we examine whether declarations of election fraud are associated with domestic or internationally-imposed costs. Drawing on an original dataset of elections and electoral observation covering 139 countries between 1960 and 2006, we find that incumbents who are accused of cheating encounter higher rates of domestic protest relative to governments receiving a clean bill of health from observers. We also find that, under certain conditions, using foreign aid as a measure of international assistance, reports of fraud correlate with reduced international assistance.

In short, we find support for the conditions we outline, and conclude that observers help resolve the informational problem plaguing many emerging democracies, thus steering more countries toward democratic elections. The goal of this article is to contribute to the literature on democracy and democratization an appreciation of the practical and theoretical role of information. Whatever one thinks about the set of factors needed to sustain democratic elections in a country, there is an important practical point that is often overlooked. With rare exceptions, it is up to national governments to conduct elections and to announce the outcome.³ Because they are seldom a disinterested competitor in the lottery for power, governments have a

³ Exceptions are the handful of elections conducted or supervised by the United Nations (Namibia 1990, Nicaragua 1990, Angola 1992, El Salvador 1994, Mozambique 1994, East Timor 1999-2002, Cambodia 2003) and elections conducted in occupied territories (e.g., Iraq 2005).

disproportionate ability to manipulate the electoral context in their favor. Whether governments act on this incentive to manipulate the election or not hinges critically on the available signaling technology through which an honest government is rewarded for holding a clean contest and a cheating government is punished. Informative signals about election quality (ones that are correlated with the true government action) are a necessary condition for clean elections, and, by implication, for democracy.

This insight adds to a rich literature on democracy that has emphasized the role of structural preconditions such as income and literacy (Lipset 1959, Boix and Stokes 2003), natural resources (Ross 2001, Dunning 2005), elite choices (Rustow 1970, Bunce 2003, McFaul 2002), and the importance of self-enforcing social expectations for the 'democratic bargain' to prevail (Weingast 1997, Przeworski 1991, 2005). This paper draws from theories which place elections at the center of democratic governance (Riker 1965, Dahl 1971, Huntington 1991, Przeworski 1991). Stealing elections, by definition, undermines democracy, and recent literature has begun to explore the consequences of election manipulation, the role of sham elections in authoritarian regimes (Lust-Okar 2005, Magaloni 2006, Schedler 2006), and the question of whether poor elections can lead to democracy (Bratton and Chang 2006, Fearon 2006, Marinov 2006).

The informational environment surrounding electoral processes is one source of intense variation between elections in democracies and non-democracies. Although a signaling technology such as a free and independent news media may develop domestically through historical evolution or a set of favorable conditions, its existence should not be taken for granted. Reputable foreign monitors can help improve the available signaling technology domestically, thus reinforcing or substituting for whatever is locally available.

The article also contributes to a growing body of literature on the ways in which the international community has influenced the spread of democracy around the world (Drake 1998, Gleditsch 2004, Gleditsch and Ward 2006, Starr 1991, Whitehead 1996). Recent studies have found that international organizations can help states commit to democracy (Pevehouse 2002, 2005, Vachudova 2005), and have investigated the role played by powerful actors such as the United States in “electoral revolutions” (Bunce and Wolchick 2006, Tucker 2007). Although it is commonly accepted that Western interest in promoting economic and political liberalization helps account for the ‘third wave’ of democratization, scholars have also pointed to the danger of spreading elections without democracy (Karl 1986).⁴ We add to this debate by outlining how external actors can help reinforce true democracy and undermine the pseudo-democracy.

An important disclaimer should be made. The argument is not that observers are a universally positive influence, nor that the presence of election monitors signifies that all will be well with democratic transitions in the world. Much else is needed, in addition to incentives for governments to hold clean elections, for a country to consolidate any democratic gains. External monitors are not the only source of information in elections, or even the most important ones. Foreign observers represent one available solution to the informational problem surrounding elections. They may matter more or less in different settings, and observer reports may work synergistically or at cross-purposes with domestic political forces and factors.

Modeling the Role of Information in Election Quality

We construct a simple decision-theoretic problem to illustrate the role of information in the democratic political bargain. Consider a government choosing between manipulating elections and holding a clean contest. The contest occurs in the shadow of possible domestic protest and

⁴ See Huntington (1991), Diamond (2008) on what the future may be, Diamond (2002), Levitsky and Way (2002), and Zakaria (1997) on the rise of hybrid political regimes, and Lindberg (2006) for an optimistic view.

international sanctions. There are six possible outcomes: the government can win or lose the election, citizens can protest or not, and the international community can sanction or not:

$$O \equiv \{W, L\} \times \{P, \sim P\} \times \{S, \sim S\}$$

Absent domestic protest or foreign sanction, winning office is associated with a payoff of $w = 1$, and losing office under the same circumstances yields a payoff of $l = 0$. Domestic protest detracts from the government's payoff a non-negative amount d , whereas an international sanction diminishes the payoff by a non-negative term i . Thus, the highest payoff the government can receive is 1 (associated with outcome $\{W, \sim P, \sim S\}$), and the worst is $-d - i$ (from $\{L, P, S\}$).⁵

The government chooses optimally between manipulated and clean elections depending on the probability distribution over the outcomes of each choice. An important parameter governing the expected probability distribution is $p \in (0,1)$, a measure of government popularity. We assume that p determines the likelihood that the government will win in a clean contest. If the votes are cast and counted correctly, the government will win office p of the time and lose $1 - p$ of the time. For simplicity, winning is a binary outcome. It can be thought of as winning the presidency in a presidential system or it can be winning a parliamentary majority in a parliamentary system. (If p is modeled as an expected "share of power" instead, the model becomes more complex but the key intuitions do not change.)

Another important stylized fact in the model is that, although the government is free to manipulate the election at will, citizens and foreign audiences receive a signal about whether manipulation has occurred. The signal consists of two possible messages, "clean" or

⁵ Although it is technically possible, we do not know of any cases in which governments receive more aid *because* they manipulated their own election.

“manipulated.” Let $P(m|M)$ be the probability that the message is “manipulated” when manipulation has occurred, and let $P(c|M) = 1 - P(m|M)$ be the probability of a “clean” message in this case. Let $P(m|C)$ and $P(c|C) = 1 - P(m|C)$ be the corresponding probabilities for a message of manipulation or clean when a clean contest has occurred. Domestic and international audiences do not observe the incumbent’s actions directly and have difficulty judging the overall quality of an election. Rather, these actors condition protest and sanctions on the content (and credibility) of signals about election quality.

Neither the domestic public nor the international audience is modeled as a strategic actor. Because the focus is squarely on the government's choice, we have opted to present it as a decision problem. This does not mean that the actions taken by domestic publics or the international community cannot vary. Rather, we use parameters to capture this variation in the context of the model, and provide substantive interpretations for such variation in the parameters. Parameters in our model include the likelihood of protest and sanctions, and their associated costs d and p . Following the self-enforcing democracy literature, for example, protest may be more likely following an announcement that the incumbent is cheating on their obligation to hold a free contest; d can be high following a message of fraud. Conversely, this condition can be relaxed such that there are no domestic or international consequences for a government shown to be cheating, or so that domestic groups protest only when their candidate loses.

The time-line of the decision situation modeled is as follows. At the start, the popularity parameter p is drawn. We assume that p is either publicly known, or not. (A government with unknown popularity is modeled with $p = 0.5$). Next, the government: (1) chooses between manipulating or not; (2) the election is won or lost; (3) a message is drawn about the

government's true action, and (4) domestic and international audiences react (simultaneously and independently).⁶

What happens following manipulation? We assume that government manipulation of the election results in a government victory regardless of the government's actual popularity.⁷ We next model the allocation of domestic protest and international sanctions. In theory, the likelihood of protest and sanction can be conditioned on p , on the content of the signal, and on whether the government wins or loses. The conditioning may vary depending on the specific empirical context. The next section illustrates the dynamics of the model with several substantively interesting examples.

Informative Signals in Institutionalized Democracy

As a departure point, consider the model in the context of an established, highly institutionalized democracy. In established democracies, massive electoral manipulation is not frequent. Theoretically, we show how high-quality information about the existence of election manipulation works to sustain this equilibrium.

To simplify the discussion, and in keeping with a prominent theme in the literature that (Western) democracy is home-grown (Moore 1966), we assume away the role of the international community by setting $i = 0$. In a highly institutionalized democracy, if an incumbent is revealed to engage in blatant election manipulation, the free media, an independent judiciary, and other checks on government ensure that this information is revealed to the general public, and significant domestic consequences are likely. Supporters of the losing party, and, possibly, a much broader coalition of domestic forces, would coalesce in repudiating the

⁶ Because punishments are parameterized, the sequence is irrelevant, formally-speaking.

⁷ It is certainly possible that a government manipulates yet loses the election. We make the simplifying assumption of a government win following manipulation to convey the intuition that governments cheat to make victory more likely. Nothing of consequence changes if we relax this assumption.

outcome. If and when manipulation occurs, it is likely to be exposed - the freedom of the media will guarantee a voice to opponents and independents in uncovering government misdeeds. Citizens will find it relatively easy to coordinate their efforts to put pressure on the regime. The outcome of successfully coordinated social action may be mass protests and paralyzed government administration. The regime's ability to use repression is likely to be constrained by the threat of an even broader backlash. In this case of institutionalized democracy, manipulation is not attempted because the consequences are predictably severe.

In short, in this ideal type of a highly institutionalized democracy the following conditions hold: (1) the signal about election manipulation is perfect, $P(m | C) = 0$ and $P(m | M) = 1$; (2) domestic protest always occurs following manipulation and the results of clean elections are respected; (3) domestic protest carries high cost to the government in office.

We further assume that protest only happens after a government victory (so that a government losing the election is never punished). When protest is conditioned on the content of the message, the government's decision problem hinges on comparing the expected utilities from clean ($EU(c)$) and rigged ($EU(m)$) contests:

$$EU(c) = p[w - P(m | C)(d + i)] + (1 - p)l$$

$$EU(m) = w - P(m | M)(d + i)$$

Given the parametric assumptions, the choice simplifies to a comparison between $EU(c) = p$ and $EU(m) = 1 - d$. Figure 1 illustrates the comparison, while setting the cost d to 1 (protest is highly potent). Under a perfect signal, the government never cheats – even a highly unpopular government prefers to lose the election in comparison to the domestic backlash it would confront with certainty after manipulation. As shown in Figure 1, under perfect signaling,

the expected utility of clean elections is always greater than the corresponding utility for a rigged one, with the two lines intersecting at $p = 0$.

Case I: From More to Less Informative Signals

Relaxing the informational assumption of perfect signals about election quality negates the result from institutionalized democracy. Suppose that $P(m | C) = 0.3$, or that holding clean elections results in the wrong message (manipulated) with 0.3 probability, and that $P(m | M) = 0.7$, or manipulating is exposed as such only 0.7 of the time. Then, the government compares $EU(c) = p(1 - 0.3d)$ and $EU(m) = 1 - 0.7d$. As shown by the indifference curve on Figure 1, less information encourages cheating. The indifference curves intersect at $p = 0.4$, less popular governments steal the election, more popular ones opt for a clean contest.

There are two explanations for this result. As the informational environment deteriorates, an incumbent considering clean elections faces a ‘Type I Error: Clean Penalty’. Even if they win, they may face domestic backlash should their victory be mistakenly viewed as fraudulent. At the same time, there is a ‘Type II Error: Fraud Premium’ for incumbents who manipulate. A cheating incumbent may come across looking clean, avoiding backlash while gaining the benefits of a rigged contest.

Figure 1 illustrates the two effects. The expected utility of fraud shifts upward when the signal quality deteriorates. At the same time, the expected utility of holding clean elections shifts downward (and right). The combined result from introducing noise in the signal is that the proportion of governments holding manipulated elections increases from $p = 0$ (an empty set when p is continuous) to all $p < 0.4$. Because the domestic cost of cheating is held constant ($d = 1$, the maximum allowed), and the only variation is in the quality of signal, the rise in cheating is due solely to the presence of uncertainty about the true government action.

[Figure 1 about here]

Case II: Observers and Better Information in Non-Institutionalized Democracies

This informational problem in election-holding countries has, in our view, been sidestepped by the literature on democratization. If stolen elections can be concealed from domestic and international audiences, then few conditions exist that would deter government officials from handing elections to their favored candidate. We do not question the importance of elite strategies and basic structural preconditions regarding how societies agree on the basic democratic bargain of alternating power through free and fair elections. We do emphasize, however, that even if and when that basic bargain is in place (in our model, it is when $d=1$), information plays an important and independent role in motivating the government to stick to the bargain.

As a result of a long historical evolution, Western democracies have all the institutions in place to discourage outright or large scale electoral manipulation, including free and independent media, an independent judiciary, and respected election administration. In contrast, recent decades have brought elections to countries that often lack a developed system for checking government excesses when they arise. It is possible and likely that many societies will gradually generate a strong civil society, a system of checks and balances, and vibrant media. This, however, is more of a long-term prospect than a readily attainable goal. In the short term, foreign election monitors can play an important role. By increasing the information available about incumbent behavior where few reliable local sources of information exist, outsiders can reduce both the ‘Type I Error: Clean Penalty’ and the ‘Type II Error: Fraud Premium’ we have described.

Thus, observers must improve the accuracy of the signal. This means, either $P_o(c | C) > P(c | C)$ (when the truth is ‘clean’, a message of clean is more likely with observers), or $P_o(m | M) > P(m | M)$ (when the truth is ‘manipulated’, the ‘manipulated’ message is more likely with observers present). For monitors to reduce electoral manipulation, they must increase the locally available information about election quality. Given this, there must also be costs for those who cheat. Since costs can be domestic or international (we model these as substitutes), either the international community must sanction after a fraudulent report or domestic groups must protest.

[Figure 2 about here]

Figure 2 shows the indifference curve of the government for clean and manipulated contests as a function of the costs of cheating, captured by the parameters d and i . Per the figure, the government prefers to hold clean elections when either domestic or international pressure is high, or when d and i are relatively low individually but high in combination.

The figure also shows the importance of adding information to what is already available. For simplicity, and for reasons discussed in next section, we assume that observers are not especially good at detecting fraud, $P_o(m | M) = P(m | M) = 0.7$, but they do know a clean election if they see one, $P_o(c | C) = 1 > P(c | C) = 0.7$. Even this relatively weak assumption about observer ability changes the government’s optimal choice. The indifference curve on Figure 2 shifts left (toward less manipulation) as the signal about the government's true action improves: even lower domestic protest and international sanction can sustain clean elections in a better informational environment.

Better information only leads to clean contests if there are real costs to those accused of manipulating the election. Following such accusations by international observers, we examine

the empirical record for evidence of whether incumbents face high domestic cost—via protest— or face international sanction –via reductions in foreign assistance, and find strong empirical support for our argument. Before presenting these results, we present an alternative model.

Case III: What if Punishments are Conditioned on Who Wins Rather Than Fraud?

The simple model we develop allows us to address some possible criticisms of the role of information in elections. One possible objection is that in some settings, domestic publics may protest the outcome of the election solely on the basis of whether “their” candidate won or lost. To capture this case, we amend the case of institutionalized democracy with no outside interference. We still assume that signals are perfectly informative, but now part of the electorate will protest if and only if the government is declared the winner of the election. This means, regardless of the content of the signal about election quality, if the government wins, it pays some cost, $d_I = f_I(p)$, $1 > f_I(p) > 0$, which decreases as its own popularity increases.

When protest is conditioned on who won rather than whether the election was clean, the government’s choice between manipulating the election or not turns on comparing the following expected utilities: $EU(c) = p(1-d_I)$ and $EU(m) = (1-d_I)$.

Under these conditions, manipulation always yields more in expected terms. The intuition behind this result is straightforward. In the model, honest elections are a lottery while manipulated elections generate guaranteed victory. If the government knows it is going to pay the same cost of protest regardless of whether it cheated (or whether signals are informative), holding a clean contest has no attraction. Elections are stolen, backlash ensues. Pronouncements on the quality of election produce no variation in protest behavior.

This result is consistent with the literature arguing that democratic elections are only possible when there is a basic societal bargain in place – the winner of free elections is accepted

and the loser steps down, and most social groups resist contests that do not return a winner in a fair, probabilistic fashion (Przeworski, et al. 2000). When societal groups are not willing to accept defeat under any circumstances, information plays no role in whether free elections can happen, and cheating incumbents are immune to charges from sore losers.

This result also implies that for credible reporting on true government action during elections to play any role in fostering free elections, costs and benefits must be conditioned on the content of the message, not on who won or lost. At least some of the elements of the democratic bargain should be in place – groups should be prepared to defend the integrity of the procedure and not the outcome. Alternatively, as our model allows for international costs imposed for election fraud, the international community should act consistently to defend democratic procedures and not condition their reaction on who won or lost.

It is worth noting that the presence of credible information about election quality may also influence the decision to protest by election losers. In a world without credible information, the complaints of a losing opposition are easily dismissed as those of sore losers. With credible information, more people who may not otherwise be drawn in the political process would join, thus increasing the cost for cheating governments.

Using similar logic, for the special case in which powerful international actors favor a specific candidate and would punish the country for not choosing their favored party or candidate, the effect—at least theoretically—is to encourage stolen elections.

Evaluating the Effects of Observers and Information

This argument about the role of information surrounding elections is not necessarily restricted to the recent period of democratization. Western consolidated democracies experienced fraudulent elections in the past. The types of institutions needed to police the government on election day

evolved gradually over time. One possible empirical strategy would be to examine the historical evolution of these institutions in the West. In this article, we choose to focus on the recent spread of democracy and elections. The focus is further narrowed to the role played by international election monitoring as an institution capable of providing credible signals about election quality. The sheer scope of the most recent democratizing and anti-democratizing waves and the exponential growth in international election monitoring make this focus especially pertinent from both theoretical and practical points of view.

The central proposition is that observers should facilitate democratic elections by increasing information about election quality. This section evaluates whether the two necessary conditions hold in practice: there must be evidence that observers increase the quality of locally available information about election quality and there must be either domestic or international consequences for observer declarations of fraud.

Ideally, one would be able to estimate econometrically the terms and $P_o(c | C)$ and $P_o(m | M)$, to measure exactly how much information observers add to the existing environment. At present, we do not know of a defensible identification strategy for measuring the precise amount of information contributed by observers. We rely instead on substantive and case-based knowledge about observer missions to make the case that observers add information.

To evaluate the second condition of our argument—that there are either domestic or international costs when fraud is revealed—we draw on an original dataset of elections and their attributes. Our dataset covers all elections between 1960 and 2006, excluding consolidated democracies. The dataset is unique in its scope and is the most comprehensive list of elections compiled to date, including all elections for national public office. Existing datasets that include information on elections and election dates are incomplete, some including only one election per

country-year and some including a subset of elections limited by regime type.⁸ Each observation in the dataset is an election, rather than a country-year, and multi-round elections were coded as separate events. There are more than 1,800 distinct election events, taking place in 139 countries. Up to 58 variables of interest were coded for each event, yielding a total of 100,000 observation points. This data allows us to paint a comprehensive and hitherto unavailable picture of the recent electoral history of the world.⁹

Figure 3 illustrates several trends derived from the data. Two important trends are the dramatic increase in elections held around the world, and the no less dramatic rise in election observation. Although only a handful of elections were observed in the 1960s, since 1990 electoral observation has become a nearly universal phenomenon.¹⁰ Especially notable is the prevalence of election monitoring in Latin America, Sub-Saharan Africa and the post-communist countries. These countries represent a significant area of interest for powerful Western countries, and exist within a well-established architecture of regional political and economic organizations. In combination, Western interest and available organizational capacity have produced an outcome in which elections are nearly universally observed (up to 86 % of events in a single year had monitors present). In fact, the unobserved cases include obviously sham elections in countries such as Turkmenistan and Cuba, and others such as Jamaica, where democratic political institutions have a long history. Later, we exploit the nearly universal assignment of observers to elections in those regions to evaluate the effects of electoral observation.

[Figure 3 about here]

⁸ See, for example, the election dates listed in the Polity IV dataset, the World Bank's Database of Political Institutions, Tatu Vanhanen's *Polyarchy* manuscript, and Patrick Regan and Dave Clark's Institutions and Elections Project.

⁹ The full list of countries included is provided in the supplementary materials, along with the list of questions that underlie the 58 variables. A full codebook, data appendix, and an inter-coder reliability report are available from the authors.

¹⁰ See Bjornlund 2004, Kelley 2008, and Hyde 2006 for explanations of this trend.

Exploring Condition 1: Information Provision by International Observers

Do international election observers actually provide additional information about the quality of elections to domestic or international audiences? The skeptic may point out that domestic political parties, voters, and civic groups are likely to know far more about their country than a delegation of foreigners. Nevertheless, a close examination of the practices and experience of observers reveals that they have frequently added to the informational environment in two ways: 1) using improved technologies of election observation, they provide new information about election quality and 2) when viewed as impartial outsiders, they provide independent verification of information already available from less-credible outlets.¹¹ In the first form of information provision, international observers rely on their experience with fraud detection methodology and superior access to information in order to provide the government, citizens, and opposition parties with information about election quality that they would not otherwise possess. Election observation technology has continued to improve since the late 1980s, and the most reputable international observer missions now include long-term election observers who are stationed throughout the country for the entire electoral period, extensive media monitoring, voter-registration audits, coordination with domestic non-partisan election monitoring groups, and other methods tailored to the specific challenges of the country.

Observers also rely on methods like the parallel vote tabulation (PVT), a technology used by observers to verify the official vote count independently and quickly. International observers (frequently coordinating with domestic nonpartisan observers) have conducted, publicized, and funded a number of PVTs that have resulted in credible validation of “surprising” results of various forms. Although it is difficult to prove, it is widely speculated that PVTs were

¹¹ These two channels of information provision are theoretically equivalent in our model: in an information-scarce environment, a message issued by observers would tend to be more informative than a pronouncement made by some other domestic source.

instrumental in political transitions ending the regimes of Manuel Noriega (1989), Augusto Pinochet (1988-9), and Daniel Ortega (1990), among others. When these leaders were faced with a credible PVT demonstrating they lost the election, they were constrained in their actions and arguably less able to discredit the charges against them.

International observers also typically have access to the election administration body and meet with representatives of all willing political parties and civic groups. This access gives them the ability to collect and investigate complaints about technical preparations for the election, and because of their status as impartial observers, allows them to report on the behavior of distrusting stakeholders in a more credible manner.

In the second and related form of information provision, international observers provide credible information about the existence of manipulation already reported by citizens, political parties, or other organizations. This may seem inconsequential, but case-based evidence suggests that international observers are uniquely situated to validate (or invalidate) allegations of fraud, and their evaluations can influence post-election behavior as well as the existence and timing of post-election protest.

International observers also influence the credibility of complaints that are made by domestic actors. When international observers are present, without the validation of international criticism, post-election protests are more easily discredited. Contrast the following news reports following protested elections, the first from Ethiopia when observers approved the election, and the second from Azerbaijan, where they criticized it:

Ethiopia 2005 Parliamentary Elections

Foreign observers said they could not verify opposition claims of rigging. The chief European Union election monitor, Ana Gomez, called the election a victory for

democracy, and a credit to all parties who had participated. She told the BBC it was a bit absurd for the opposition - who have alleged fraud and intimidation - to dismiss the poll at such an early stage.¹²

Azerbaijan 2005 Parliamentary Elections

An estimated 10,000 people gathered in Victory Square, on the outskirts of the capital, Baku, to protest against the results of parliamentary elections on November 6 which international observers said were marred by fraud.¹³

What observers have to say, moreover, is often widely transmitted, and international observers invest time and money in publicizing their findings. Procedurally, distribution of information from international observers takes several forms. Delegations often employ a press secretary to publicize the mission and their findings. The most wide-reaching form of communication from observers is the post-election news conference and preliminary statement. These documents are widely reported on by journalists, and stake-holders in the election frequently participate in the press conferences. In addition to the post-election announcement of findings, observer missions issue interim statements on the election and the electoral process. Reputable missions produce an extensive final report detailing their methodology and their overall analysis of the electoral process, including recommendations for improvements in future elections.

Although international observers are able to improve the accuracy of signals about election quality, they are far from perfect at detecting election manipulation. Observers tend to be risk adverse when deciding whether to criticize an election. In practice it is more likely that a truly clean election will be declared clean by international observers than a truly manipulated election will be declared fraudulent by international observers. This is because observers often

¹² “Ethiopia poll prompts protest ban” BBC News. May 16, 2005.

¹³ “Azerbaijan condemned for crackdown” by Nick Patton Walsh, Moscow. *The Guardian*. November 28, 2005.

collect enough information to know that an incumbent has certainly not rigged the vote, but hesitate to call a contest fraudulent even when they do encounter some evidence to that effect. For most organizations, widespread and incontrovertible evidence is required to call an election fraudulent. Because this evidence is not likely to appear when an election is actually clean, the most common error committed by observers is validating a somewhat manipulated election. However it is also clear that they are able and willing to find election fraud, as evidenced by the more than 150 elections they have criticized since the mid 1980s. To reiterate from our model, it follows that observers are more likely to reduce the ‘type I clean penalty’ than to reduce the ‘type II fraud premium.’

Although the magnitude of the informational role of observers may be difficult to measure, the record of election observation suggests that they are able to confirm or disprove existing suspicions about election fraud, and through their access and technical expertise, they are also capable of providing new information about election quality to domestic and international audiences. All else held equal, observers increase the information available about election quality.

Exploring Condition 2a: Costly Cheating via Domestic Protest

Following elections declared fraudulent by international observers, do domestic actors react in a manner consistent with our theory? We assumed in our model that post-election protests by domestic actors are costly to incumbent governments. They may lead to general unrest that is difficult to repress, as in the 2007 Kenyan elections, or other unfavorable scenarios. Post-election protest is highly correlated with outcomes that are unfavorable to the incumbent government. For example, out of all cases in which official elections results favorable to the incumbent government were canceled (a negative outcome for the incumbent), post-election

protest had occurred 85% of the time.¹⁴

For the evidence to be consistent with the theory offered in this paper, domestic groups must be more likely to engage in post-election protest (or other behaviors potentially costly to the government) following elections that are declared fraudulent than following elections that are not declared fraudulent.

Across all competitive elections in our dataset (1960-2006), 19% experienced post-election protest, but the rate of protest is not constant across time or across observed and unobserved elections. Two trends are striking. First, the overall rate of protest is significantly lower in the post-1990 period of widespread election observation, when 87% of all observed elections took place. This is consistent with our expectation that better information about election quality should lead to more accurate post-election protest. Second, even though protest is less frequent in the period in which election observation is common, protest following observer-declared fraudulent elections occurred following 46% of all observed elections. Even in cases where fraud was reportedly anticipated before the election, post-election protest was three times more likely following observer declarations of fraud. Across all observed elections, protest is four times more likely following negative observer reports. These trends confirm our expectations and are consistent with the argument that observers make it more likely that the results of fair elections are accepted by losers and that truly fraudulent elections are protested.

[Table 1 about here]

In order to further examine the relationship between fraud, observers, and protest, we estimate a logit model with post-election protest as the dependent variable. In all models presented in Table 2, the unit of observation is the election, allowing for more than one election in a given country-year. The samples for all models are restricted to observed elections only. The

¹⁴ Original data, Question 32: “Were results that did not favor the incumbent cancelled?”

variable *Protest*, is equal to 1 if there were “riots and protests after the election.” *Observer Fraud* is equal to 1 if there were allegations by Western monitors of “significant vote fraud.”

In addition to these variables, we include several other variables from the same dataset described above that are likely to explain post-election protest. *Fraud Anticipated* indicates whether in advance of the election there were “significant concerns that it would not be free and fair.” To account for the expected lower probability of protest when the election transfers power to another party, *Incumbent Loss* is an indicator of whether the incumbent lost given that the incumbent was running in the election.¹⁵ For all estimated models, robust standard errors are clustered by country.

In addition, Model 2 includes an indicator of whether “reports critical of the government’s handling of the election reached large numbers of people” (*Any Fraud*), as any credible source of information could increase the probability of protest.

It is possible that unobserved variables account for the presence of both observers and protest. In order to account for this possibility, Model 3 limits the sample to post-1990 elections in regions where the supply of election monitoring is nearly universal. Consistent with our theoretical predictions, observer reports of fraud are associated with significantly higher rates of post-election protest in all specifications. When included together in Model 2, both domestic and international reports of fraud are associated with significantly higher rates of post-election protest, closely mapping the theoretical predictions shown in Figure 2. Holding all other variables in Model 2 constant at their median, *Observer Fraud* is associated with a 35% increase in the probability of post-election protest.¹⁶ In the sub-sample of regions with universal assignment of observers, the effect of observer-declared fraud is nearly identical, indicating that

¹⁵ The “incumbent” is coded from Chiozza, Goemans, and Gleditch (forthcoming).

¹⁶ Based on a logit model estimated in Stata 10.0, with first differences drawn from 1000 simulations performed by CLARIFY (Tomz, Wittenberg, and King 2003), and 95% confidence interval of 18%-55%.

selection bias in the countries observed is not driving these results.

[Table 2 about here]

Part of the relationship between observer-declared fraud and protest may result from the fact that when monitors do not declare an election fraudulent, they may work to prevent post-election protest by discrediting the claims made by losing political parties. Anecdotally, there are a number of cases in which declarations of fraudulent elections appear to legitimize post-election protest. The well-publicized “colored revolutions” fall into this category (Bunce and Wolchick 2006), as do a number of other prominent cases throughout the developing world (see Howard and Roessler 2006). Prior to the November 2005 election in Azerbaijan, even though the government was widely expected to steal the election, opposition groups held off their decision to protest on election day until observers announced their evaluation of the election. Observers from the OSCE validated opposition claims of fraud, and post-election protests were carried out (Ismail 2005 and OSCE/ODIHR 2006). Conversely, there are examples in which protesting opposition parties are not validated by a negative report from observers and are unable to garner the support to overturn the election results, as in Ethiopia 2005 and Mexico 2006.

In the previous section of this paper, we presented evidence that international observers increase the information about election quality available to international and domestic observers. However, the informational story could be reversed. Protesting by domestic groups could cause negative reports by observers. Based on close examination of the role of observers in dozens of elections, we think this is an unlikely chain of events, as many protests are only launched following the first post-election statement from observers. In many cases, domestic groups have announced that they are waiting for the post-election statement from international observers before engaging in protest. Additionally, even if it were initially the case that domestic protests

led to negative observer reports, it appears that criticism from international observers and protest by domestic groups reinforce each other to amplify the consequences of fraud and reduce the legitimacy of the election results. The next section turns to whether the international community reacts to elections deemed fraudulent by international observers.

Exploring Condition 2b: Costly Cheating via International Reaction

Many developing countries depend heavily on foreign aid. An alternative, and complement, to raising the domestic cost of cheating for incumbents is to condition foreign aid receipts or other international benefits on a negative election report by international observers. Do leaders accused of cheating pay a price for their actions in terms of aid?

The political uses of foreign aid have been well-documented in the literature (Axel, Sturm and Vreeland, forthcoming; Dunning 2004). For our argument to hold, observers must add information that Western donors care about, and donors should act on that information. To check the feasibility of this proposition we compare the variance in aid changes after observed elections to the variance after unobserved contests. If monitoring reports help separate governments into cheaters and honest types, and if this information registers in aid receipt levels, we would expect to see greater variability in aid after observed contests.

[Figure 4 about here]

Figure 4 shows the difference in density plots of aid changes after elections by whether Western monitors are present. Reports of clean elections should increase aid levels, whereas reports of fraud should reduce aid receipts. Consistent with our theory, aid changes tend to swing more widely around their mean after observed contests relative to unobserved contests.¹⁷ We next focus on how the content of the observers' report influences aid receipts from the United

¹⁷ Statistical tests of variance, not reported, confirm the hypothesis that aid changes are more dispersed after observed contests.

States, the European Union, the United Kingdom, France and Sweden. This set of foreign aid donors includes major providers of aid, while also incorporating variation in the geo-strategic objectives of the donors relative to objectives such as democracy promotion.¹⁸ Estimating the true impact of negative reports on aid receipts is complicated by the possible non-random allocation of observers to elections (and elections to countries). For example, if only governments that expect to win a free contest opt to have observers present, then we would not expect to find a strong relationship between reports and aid levels. A similar attenuation of the effect may arise if governments only cheat when they doubt the commitment of donors to withdraw aid (for example, due to competing foreign policy objectives).

To help cope with that problem, we focus on two subsets of observed elections, in which we claim to understand the process of assignment of observers and elections to countries. The first is what we call “universal assignment.” For the 1990- period, within the regional setting of Latin America, sub-Saharan Africa and post-communist Eurasia, countries had virtually no choice but to hold elections and invite observers. High U.S. and E.U. interest in many of those elections, the demise of the Soviet Union, as well as the availability of regional organizations such as the OAS and the OSCE, produced a supply of observers together with a norm that made not inviting observers illegitimate and punishable (see Bjornlund 2004, Kelley 2008, Hyde 2006). In this subset of countries, inviting or not (and holding elections) is all but a requirement.

Table 3 reports regression results from an OLS model of changes in aid after elections in that subset of countries, by donor. Our unit of analysis is the country-year, where each country year with at least one observed election (by Western observer groups), provides one observation. For 1990-2004, that yields about 250 cases. The dependent variable, *Foreign Aid*, is the smoothed 3-year average of bilateral aid receipts (which we log, adding one to cases of zero aid).

¹⁸ The U.K.’s post colonial ties may make democracy promotion less likely than for Sweden, for example.

Because we are interested in changes in aid, we include the lagged aid receipts (constructed the same way as a 3 year smoothed average) as an independent variable.

As described in the section on domestic consequences, our main variable of interest, *Observer Fraud*, is a binary indicator that measures whether observers reported that the elections were substantially manipulated. Measures of total GDP, population (lagged and logged), and UN General Assembly voting coincidence between donor and the country holding election (0 to 1 correlation, lagged, called *UN Friend*) are included. We build on Alesina and Dollar (2000) who argue that population and wealth are likely determinants of foreign aid for “economic reasons,” while UN voting correlations with specific donors may capture geo-strategic or historic ties.¹⁹

Findings are reported in Table 3, which show a consistent relationship between changes in aid levels and declarations by observers of election fraud only in the case of the European Union and Sweden. This finding reinforces the view that only countries relatively unencumbered with competing geo-political interests can be expected to be consistent promoters of democracy. The European Union has a strong organizational commitment to democracy, as well as a degree of bureaucratic independence from individual member countries (Donno 2008). GDP is not significantly related to change in aid allocations— a finding that is consistent with earlier studies. More populous countries experience greater increases in their aid levels. Countries that vote consistently with the US or EU members also experience larger average increases in aid levels.

[Table 3 about here]

A second approach is to exploit the process by which international observers are allocated to elections. Donors may not be motivated to react uniformly to abuses of democratic procedure, but maybe interested in a specific set of countries within their “sphere of interest.” The presence of specific monitoring organizations in a given country may in turn signal greater

¹⁹ Our source of the UN data is Dreher and Sturm (2006), who in turn draw on a dataset by Erik Voeten.

interest by the donor in the quality of the electoral contest. By identifying how specific monitoring organizations correlate with heightened donor interest in specific countries, we expect a stronger link between fraudulent reports and reduced foreign assistance.

The strategy is simple. Focusing on observer organizations with clear ties to different donor countries, we assume that the presence of observers from a specific organization should be tied to heightened interest by specific donors. Observers from the OAS and the USAID-funded NDI and IRI are more likely to observe where the US has traditionally strong interests -- such as Latin America or the Philippines. In contrast, the Council of Europe, the OSCE, and the EU's monitoring arm are more likely to send observers in states of greater concern to Europe. We run a conditional model, including for each donor only those elections that took place in its "sphere of interest", defined by the American-centric or Euro-centric composition of the observer missions. All European donors are assumed to belong to the "Euro-centric" sphere.

The results, reported on Table 4, suggest that a much stronger impact of observer reports on aid for that subset of observed cases. For leaders interested in continuing the flow of foreign aid, there is a price to be paid for cheating, if only when the country is within a donor's sphere of interest. For all donors except the United Kingdom, a fraudulent report from observers is associated with a strong and significant drop in aid. The effect is substantively large: for the EU, a negative report by observers leads to a 45% drop in the immediate 3-year average aid level. This is only the instantaneous shock; in this model of change the effect will be even greater over time as the system equilibrates to a lower level of aid. Admittedly, the set of elections to which this effect applies is now smaller, ranging from 82 to 110 observed election-years, but within this subset of elections in aid-receiving countries, the effect is consistent and substantively large.

[Table 4 about here]

Overall, our findings indicate that there is a cost in terms of foregone outside support for governments who are found to have manipulated their elections. The effect is not uniform across donors, with the United States exhibiting a lesser commitment than the European Union, for example. The effect is also not uniform across the countries holding elections. Some states fall within the sphere of a donor's interest in democracy promotion (as proxied by the presence of specific observer missions), and others do not. Still, for a non-trivial subset of the set of 400 observed country-years in our sample, the evidence suggests a cost to cheating at the polls, implying that observer reports have the power to induce cleaner electoral contests.

Taken together, the previous sections demonstrate that international observers increase the information available about the quality of an election and that domestic and international audiences react to reports of election fraud by protesting and withdrawing foreign aid. The empirical support for these conditions suggests that increases in information about election quality can increase incentives for leaders to hold democratic elections.

Discussion

These effects of observers on election quality are probabilistic, and raise a number of questions about the scope and validity of the argument. We turn to a brief consideration of possible concerns stemming from the theory and empirical strategy.

Do outsiders sometimes legitimize stolen elections?

Given the frequently illicit nature of election fraud and the difficulty in judging the overall quality of an election, it is likely not all fraud is detected ($P_o(m|M) < 1$). It is also likely that international monitors fail to criticize some manipulated elections, and this failure to criticize may serve to legitimate some leaders. We concede this point, but do not think that this possibility undermines the claim that election observers can facilitate democratic elections. The relevant comparison is not whether imperfect monitoring legitimizes some dictators, but how

elections would have proceeded without credible monitors. Dictators are probably no less likely to emerge “legitimate winners” in a world without observers, $P(m | M) \leq P_o(m | M)$. At the same time, it is likely that $P(c | C) < P_o(c | C)$, or that monitoring improves the chances a clean contest will be recognized as clean. It follows that without observers, the same or greater number of cheaters are likely to be deemed legitimate winners of a stolen elections, whereas more governments will be undeservedly accused of manipulation and punished. The net result is that, in this counterfactual world, fewer clean elections would take place. Our theory depends not on perfect signaling about election quality, but on improved signaling. Some legitimated dictators are the price for rewarding more genuine democrats and for systematically punishing those leaders who are caught manipulating elections.

What counts as manipulation?

There are many ways to rig an election, documented well in the literature (Lehoucq and Molina 2002, Lehoucq 2003, Schedler 2002). In any manipulated election, dozens of different strategies may be used to try to bias the election. As a result, we do not attempt to investigate the varieties of fraud, and instead use a very general definition of fraud. Any type of government activity that reduces the opposition’s chance of winning representation is considered an attempt to manipulate the election. Observers evaluate the various manipulation strategies, and their summary judgments add information about election quality. We consider government sponsored election manipulation to be the focus of our study because they have the preponderant ability to carry out effective election manipulation. We know of a number of elections in which opposition parties committed election fraud, but we know of very few cases in which the government was innocent of election fraud and the opposition managed to steal the election.

There are also those governments that are deeply undemocratic, but do not need to cheat in order to win. In our theory, these governments are not likely to be influenced by the incentives to hold democratic elections. However, in practice, we suspect that these regimes are rarely good enough to completely escape criticism from observers.

How important is the relationship between popularity and fraud?

In our model, the more popular governments are less likely to be interested in rigging the vote. Although we think this is a sensible assumption, our argument does not depend on it. As long as the expected utility of fraud is a decreasing function of the frequency with which it is exposed, and as long as there are costs associated with allegations of manipulation, our argument holds. Governments should be less likely to cheat, whatever their level of popularity, as the costs of cheating increase and information improves. Modifying the model in this way would change the set of incumbents who find manipulation attractive: per our argument, it is the more popular incumbents who may be swayed to hold clean elections as the consequences of cheating increase. Different assumptions could predict that, for example, the incumbents most likely to be swayed by the incentive to hold clean elections are those with mid-levels of popularity.

What if international costs are conditioned on who wins rather than who cheats?

The international community, or a specific donor, sometimes favors a particular candidate in an election, raising the issue of what happens if the wrong party wins cleanly or the right party wins a manipulated contest. For example, it was clear that the West favored a Fatah victory over Hamas in the 2006 Palestinian Legislative Council elections. It was also clear that, in the 2005 Ukrainian elections, Western states favored Viktor Yushchenko over Viktor Yanukovich. Per our argument, if costs are allocated based the winning party rather than on the quality of the electoral contest, international observers lose their position as credible sources of

information, and their reports are not likely to contribute to cleaner elections. This possibility is explored theoretically in Case III above. Biased punishments should be associated with an increase in stolen elections. Empirically, we can not yet speak to this point directly. However, there are two possible approaches.

One is that donors' favored candidates are uncorrelated with the leader's need to use fraud to win an election. In our model, this need is captured by the level of the incumbent's popularity. In that case, the incentive to engage in fraud will be higher for the favored candidate (who does not expect to be punished for being denounced as a cheater) and would be lower for the candidate who is disliked. But, importantly, this would register as noise in our model, weakening the significance of our fraud variable, but without biasing the estimate of the impact of fraud on aid receipts. It should be noted that our findings for a number of donors are weak, suggesting that including a measure of favoritism could strengthen the estimated impact of fraud.

Secondly, if more or less popular governments are systematically more likely to be favored by the West, then a leader's Western ties will become an omitted variable in the model, biasing the coefficient on fraud. This would miss our goal of capturing the effect of cheating per se on aid receipts. We have no reason to believe, however, that donors systematically choose sides based on candidates' popularity. Donors may prefer stability over democracy, for example, but that says little by itself about the true popularity of a party or leader. Regarding policy, our theory suggests that if donors wish to promote democracy, rewarding specific candidates regardless of their commitment to hold democratic elections would undermine this strategy.

Conclusion

We have argued that within the dynamic process of democratization in which governments must be motivated to allow democratic elections, information is an important but neglected variable.

In the absence of institutionalized democratic practices, it is not clear why leaders choose to hold democratic elections. We have argued that in order for leaders to have an incentive to hold clean elections, there must be an informational mechanism that signals the quality of the election to the public. Given credible information about the quality of elections, there must also be domestic or internationally generated costs for those leaders revealed to be cheaters. If information is provided and costs are conditioned on this information, governments have greater incentive to hold clean elections. We presented international election monitors as one source of increased information about election quality. Theoretically and empirically, we have shown that even imperfect election monitoring can result in increased domestic and international costs for leaders who manipulate elections, indicating that election observers can facilitate democratic elections.

Although our empirical strategy is not flawless, it should be noted that the most likely forms of selection bias should make it less likely that we find the hypothesized effects of election observation. To the extent that leaders of developing countries recognize the game they are playing, leaders who are likely to be caught manipulating the election should be less likely to hold elections and invite high-quality international observers. Additionally, leaders who are more vulnerable to widespread domestic protest should shy away from decisions that may cause them to face civil unrest.

The consequences of international involvement in the democratization process remain under-explored. In the policy world, efforts to promote democracy routinely underestimate the strategic behavior of leaders. More attention to the mechanisms by which even imperfect monitoring can encourage democratic practices may be useful in designing future policies, and our aim is to encourage more theoretical and empirical research on the interaction between domestic and international variables in democratization.

Figure 1

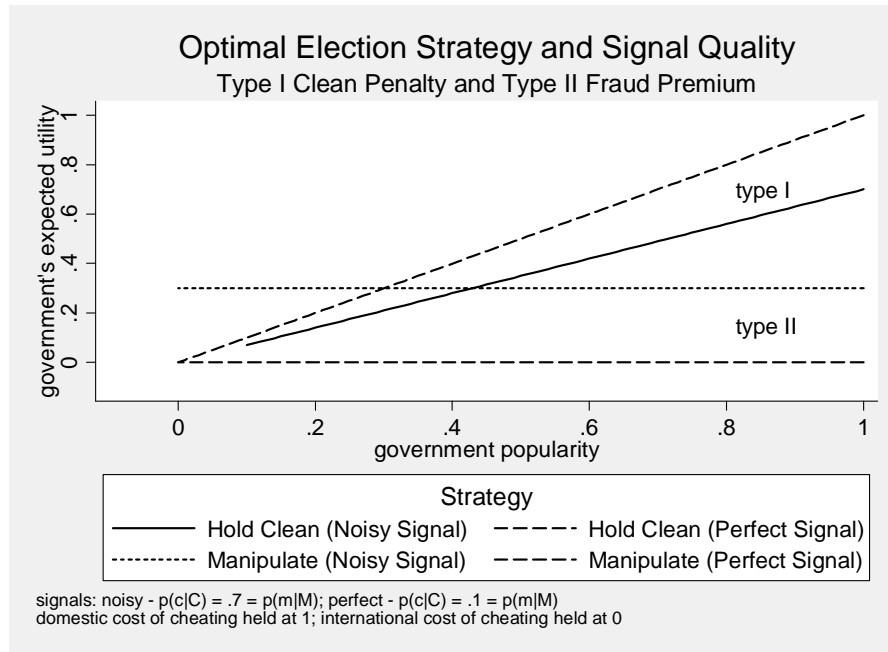


Figure 2

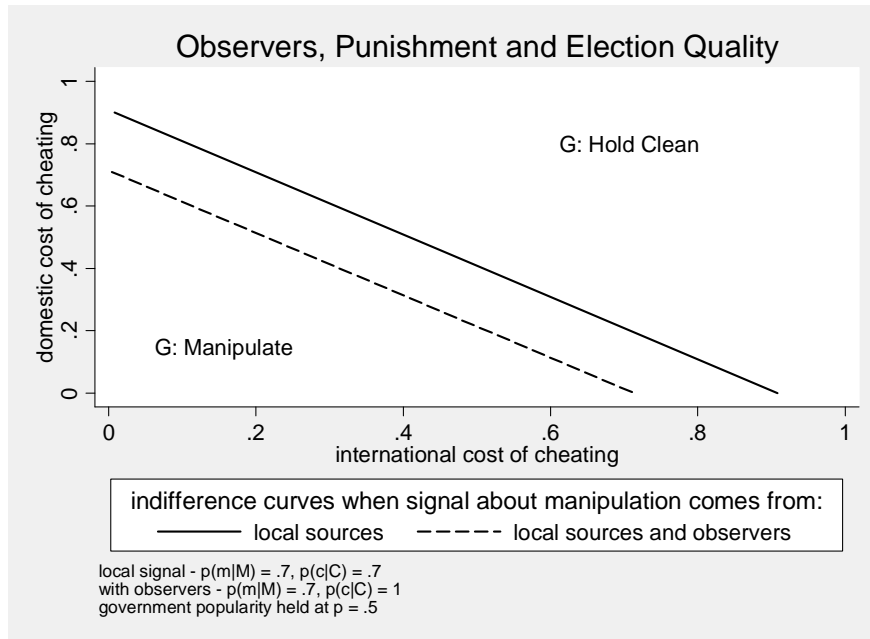


Figure 3

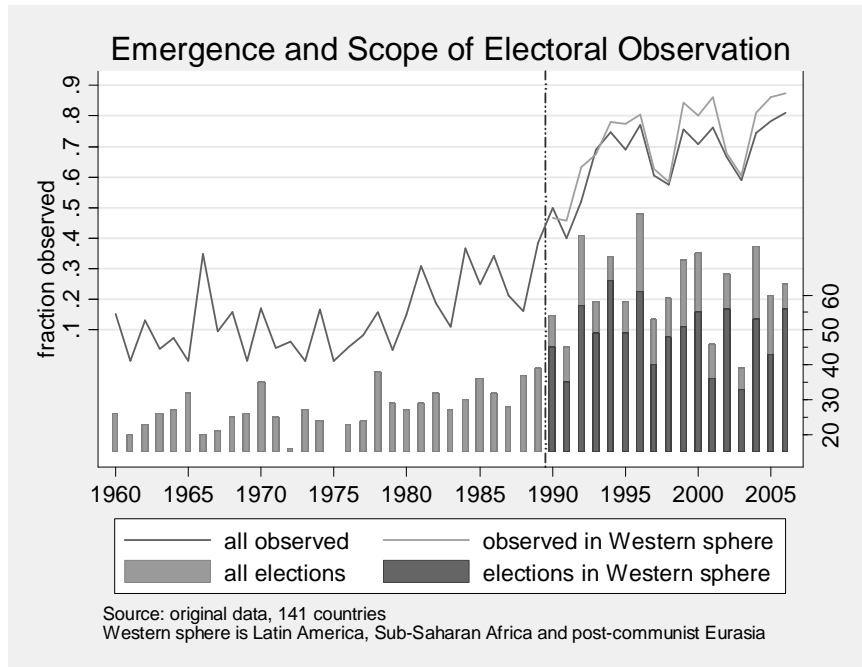


Figure 4

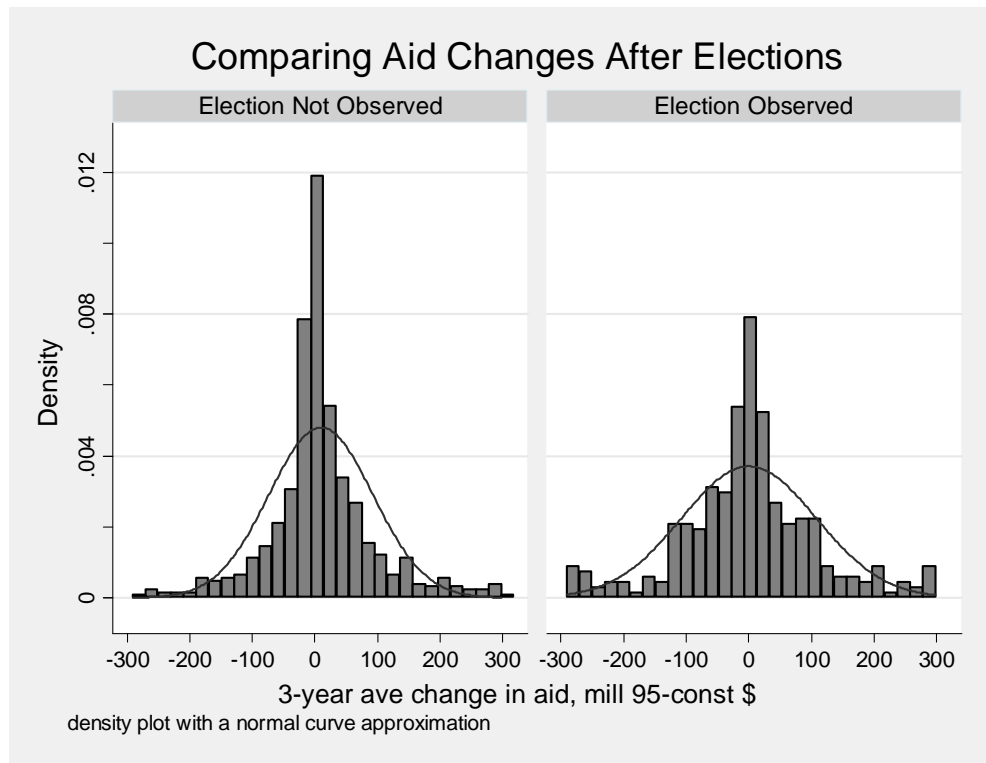


Table 1: Rate of Protest by Observers and Fraud in Competitive Elections²⁰

		(1)		(2)		(3)	
		1960-1989 (Observers Unlikely)	1990-2006 (Observers Likely)	If international monitors were present, did they declare fraud?		If monitors were present and fraud was anticipated, was fraud declared?	
				No	Yes	No	Yes
Were there riots and protests after the election?	No	77% (299)	84% (708)	88% (502)	54% (75)	84% (145)	52% (57)
	Yes	23% (91)	16% (138)	12% (70)	46% (46)	16% (28)	48% (53)

²⁰ Competitive elections are defined as those in which competition is possible. Political opposition must be allowed, more than one candidate must be on the ballot, and more than one opposition party must be technically legal.

Table 2: Binary Logit: Domestic Protest, Incumbent Choice, and Declared Fraud

	(1) <i>All Observed Elections</i>	(2) <i>All Observed Elections</i>	(3) <i>Geographic Areas with Universal Assignment²¹</i>
	<i>Protest</i>	<i>Protest</i>	<i>Protest</i>
<i>Observer Fraud</i>	1.531** (0.359)	1.961** (0.414)	1.931** (0.591)
<i>Fraud Anticipated</i>	0.325 (0.357)	0.099 (0.393)	0.176 (0.506)
<i>Incumbent Loss</i>	-0.326 (0.270)	-0.319 (0.277)	-0.330 (0.375)
<i>Year</i>	-0.027 (0.016)	-0.031 (0.016)	-0.017 (0.039)
<i>Any Fraud</i>		1.199** (0.353)	0.862 (0.538)
<i>Constant</i>	51.963 (30.877)	60.080 (32.273)	31.196 (78.921)
Observations	671	671	472
Pseudo R-Squared	0.109	0.133	0.131

Robust standard errors in parentheses. * significant at 5%; ** significant at 1%

²¹ “Universal assignment” is a sample limited to areas in which international observation is nearly 100% and includes post-1990 elections in Latin America, sub-Saharan Africa and post-communist Eurasia.

Table 3. OLS Regression: Foreign Aid (Log of 3 year smoothed average) After Observed Elections – Latin America, Post-Communist World and Sub-Saharan Africa, 1990-2004

	(1)	(2)	(3)	(4)	(5)
	<i>LN Foreign Aid USA</i>	<i>LN Foreign Aid UK</i>	<i>LN Foreign Aid France</i>	<i>LN Foreign Aid Sweden</i>	<i>LN Foreign Aid EU</i>
<i>Observer Fraud</i>	-0.0856 (0.150)	-0.0541 (0.093)	-0.0909 (0.100)	-0.149* (0.080)	-0.329** (0.140)
<i>LN GDP (lag)</i>	-0.106* (0.064)	0.00171 (0.043)	0.0397 (0.046)	-0.00125 (0.031)	-0.0850 (0.065)
<i>LN POP (lag)</i>	0.393*** (0.095)	0.126** (0.064)	0.0119 (0.062)	0.0886* (0.046)	0.215** (0.089)
<i>Year (5 year Counter)</i>	-0.426*** (0.078)	-0.320*** (0.056)	-0.282*** (0.054)	-0.0336 (0.037)	-0.655*** (0.077)
<i>LN Aid USA (lag)</i>	0.519*** (0.047)				
<i>LN Aid UK (lag)</i>		0.768*** (0.038)			
<i>LN Aid France (lag)</i>			0.775*** (0.032)		
<i>LN Aid Sweden (lag)</i>				0.866*** (0.028)	
<i>LN Aid Sweden (lag)</i>					0.474*** (0.051)
<i>USA UN Friend (lag)</i>	1.316** (0.58)				
<i>UK UN Friend (lag)</i>		0.309 (0.42)			
<i>France UN Friend (lag)</i>			-0.407 (0.46)		
<i>Sweden UN Friend (lag)</i>				-0.963 (0.61)	
<i>EU UN Friend (lag)</i>					2.550*** (0.65)
<i>Constant</i>	0.424 (1.16)	0.645 (0.76)	1.790** (0.74)	0.00100 (0.85)	3.936*** (1.01)
Observations	250	250	250	196	250
R-squared	-0.0856	-0.0541	-0.0909	-0.149*	-0.329**

Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 4. OLS Regression: Foreign Aid (Log of 3 year smoothed average) After Observed Elections, Elections within Donor's "Sphere of Interest"

	(1)	(2)	(3)	(4)	(5)
	<i>LN Foreign Aid USA</i>	<i>LN Foreign Aid UK</i>	<i>LN Foreign Aid France</i>	<i>LN Foreign Aid Sweden</i>	<i>LN Foreign Aid EU</i>
	<i>US Sphere</i>	<i>European Sphere</i>			
<i>Observer Fraud</i>	-0.380* (0.23)	-0.112 (0.14)	-0.269* (0.14)	-0.209* (0.11)	-0.608*** (0.19)
<i>LN GDP (lag)</i>	-0.265** (0.13)	0.0137 (0.092)	0.0625 (0.087)	-0.0368 (0.064)	0.0915 (0.12)
<i>LN POP (lag)</i>	0.436*** (0.16)	0.0626 (0.13)	0.00537 (0.12)	0.123 (0.084)	-0.0460 (0.16)
<i>Year (5 year Counter)</i>	-0.385*** (0.084)	-0.425*** (0.094)	-0.369*** (0.088)	-0.0740 (0.075)	-0.887*** (0.12)
<i>LN Aid USA (lag)</i>	0.541*** (0.064)				
<i>LN Aid UK (lag)</i>		0.777*** (0.069)			
<i>LN Aid France (lag)</i>			0.591*** (0.070)		
<i>LN Aid Sweden (lag)</i>				0.855*** (0.050)	
<i>LN Aid Sweden (lag)</i>					0.583*** (0.088)
<i>USA UN Friend (lag)</i>	1.286 (1.16)				
<i>UK UN Friend (lag)</i>		-1.049 (0.73)			
<i>France UN Friend (lag)</i>			-0.925 (0.75)		
<i>Sweden UN Friend (lag)</i>				-0.936 (0.82)	
<i>EU UN Friend (lag)</i>					-0.348 (1.20)
<i>Constant</i>	3.207* (1.76)	3.150** (1.34)	2.837** (1.34)	0.627 (1.18)	7.777*** (1.82)
Observations	104	119	119	82	119
R-squared	0.58	0.69	0.52	0.84	0.53

Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

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Appendix A

Table 5: Summary Statistics					
For Table 2: Observations are Internationally Observed Elections, 1960-2006					
	<i>Obs</i>	<i>Mean</i>	<i>Std. Dev.</i>	<i>Min</i>	<i>Max</i>
Domestic Protest					
<i>Protest</i>	671	.210	.408	0	1
<i>Observer Fraud</i>	671	.215	.411	0	1
<i>Fraud Anticipated</i>	671	.438	.497	0	1
<i>Any Fraud</i>	671	.152	.359	0	1
<i>Incumbent Loss</i>	671	.306	.461	0	1
<i>Year</i>	671	1995	8.56	1960	2006

For Tables 3-4: Observations are Country-Years, 1960-2006					
	Obs	Mean	Std. Dev.	Min	Max
Foreign Aid					
<i>LN Foreign Aid US</i>	315	2.20	1.61	0.00	6.72
<i>LN Foreign Aid UK</i>	315	1.05	1.17	0.00	4.97
<i>LN Foreign Aid France</i>	315	1.63	1.41	0.00	5.99
<i>LN Foreign Aid Sweden</i>	315	0.91	1.11	0.00	4.24
<i>LN Foreign Aid EU</i>	315	2.48	1.53	0.00	5.79
<i>Observer Fraud</i>	315	0.23	0.42	0.00	1.00
<i>Lag of LN Foreign Aid US</i>	315	2.52	1.54	0.00	6.54
<i>Lag of LN Foreign Aid UK</i>	315	1.16	1.21	0.00	4.78
<i>Lag of LN Foreign Aid France</i>	315	1.93	1.43	0.00	6.37
<i>Lag of LN Foreign Aid Sweden</i>	315	0.98	1.14	0.00	4.68
<i>Lag of LN Foreign Aid EU</i>	315	2.73	1.33	0.00	6.41
<i>LN GDP (lag)</i>	257	22.61	1.64	18.77	27.74
<i>LN POP (lag)</i>	307	15.85	1.14	13.15	18.82
<i>Year (5 Year Counter)</i>	286	7.93	0.89	6.00	9.00
<i>USA UN Friend (Lag)</i>	280	0.31	0.12	0.09	0.57
<i>UK UN Friend (Lag)</i>	280	0.54	0.12	0.32	0.82
<i>France UN Friend (Lag)</i>	280	0.55	0.11	0.35	0.81
<i>Sweden UN Friend (Lag)</i>	201	0.91	0.05	0.71	1.00
<i>EU UN Friend (Lag)</i>	280	0.58	0.12	0.37	0.85