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FORECASTING POLITICAL STABILITY AND INSTABILITY

William H. Overholt
Vice President
Head, Political Assessment Group

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Contemporary students of revolution have attempted to explain the most dramatic cases of political instability using the tools of psychology, economics, military strategy, and sociology. The psychologists have identified frustration, anomie, lack of a sense of identity, isolation, powerlessness, and anxiety as being sometimes at the root of mass discontent, and they have attempted to identify psychological characteristics typical of revoultionary leaders. They have largely been unable to explain the conditions under which such discontents become politically oriented, organizationally integrated, and socially powerful enough to cause instability. Economists have argued that specific forms of discontent should occur under certain identifiable economic situations, and that revolutions should therefore coincide with those situations. In particular, rapid economic change should cause frustration and anomie, as should economic stagnation in a period where exogenous events create expectations of economic improvement. Empirical research by economists has demonstrated conclusively that revolutions sometimes occur during rapid growth, sometimes during economic decline, sometimes during economic oscillation, and sometimes during economic stagnation. There is a certain lack of discrimination in such results. Military theories, such as explications of Mao's three phases of guerrilla warfare, have illuminated important tactical issues, but have failed to address the social conditions which, as Mao so clearly perceived, set the stage for military conflict. Modern sociological theories, insofar as they are different from the economic and psychological theories, offer primarily a series of metaphors (contradictions, strain, dysfunction, disequilibrium,

tension) linked only in the most tenuous ways to detailed theory.*

Each of these principal approaches contributes important insights, but takes an excesssively narrow or abstract perspective. Moreover, as a group they are misleading. If one combines the insights of these theories, one would naturally identify Brazil as headed toward one of the most violent revolutions of the twentieth century. In Brazil, social change has been rapid, very high growth rates have been followed by slower growth, economic inequality is extreme, and there is more opportunity for a guerrilla army to hide and practice its art than in all but a few other countries. Yet Brazil is not experiencing violent instability and does not appear likely to do so.

It will be the thesis of this essay that forecasting political instability can best be accomplished through understanding politics as an organizational phenomen, as a consequence of conflict between a regime organization and one or more adversary organizations, or of organizational evolution within such organizations. Such an approach enables one to take account of the insights of the economic, psychological, military and sociological perspectives without losing the rich complexity and concreteness of actual political changes. The following will not attempt to explain all forms of political change, but will provide a basic framework for thinking about the dynamics of political change, along with some examples.

A political regime is an organization. Just as any business can be analyzed as an organization in the broadest sense, consisting of

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*For more detailed discussion of all current theories, see William H. Overholt, "Sources of Radicalism and Revolution," in Seweryn Bialer and Sophia Sluzer, eds., Sources of Contemporary Radicalism (Boulder, Colorado: Westview Press, 1977).

an executive leadership, a collection of institutional components, and a client group, so any political regime can be analyzed as an organization comprising an executive leadership, a collection of governmental institutions, and a coalition of social client groups providing support to the regime. The executive leadership comprises the top leaders, whether they be called kings, presidents, prime ministers, general secretaries, or ayatollahs, and those other leaders who hold executive positions and are capable of substantially influencing the major policy directions of the government. The government institutions consist of the military, the principal ministries, and other large official institutions which implement government policies. The supporting coalition comprises social groups such as the intelligentsia, the middle class, the industrial leadership, the small entrepreneurs, the peasantry, the landlords, the civil service, various religious or ethnic groups, components of these, or any other social group which possesses sufficient uniformity of opinion and capacity for collective action as to make it a potential influence on government policies or personnel.

A government is stable to the extent that these components of regime organization are stable. Political instability can refer to sudden changes in the ruling elite, in the broad institutional patterns of government, or in the coalition supporting the ruling elite and its institutions. Occasionally political instability refers to changes in the principal policies of a government. However, by far the most common use of the term political instability refers to rapid changes in the executive leadership and in the institutional pattern of a given polity. Such instability includes, for instance, the replacement of

the Shah and a monarchical pattern of government by the Ayatollah Khomeini and a modified theocracy, the replacement of Chang Myon and democratic institutions in South Korea by Park Chung Hee and a (subsequently civilianized) military dictatorship, or the replacement of Lon Nol and a military dictatorship in Cambodia by Pol Pot and a communist totalitarian system. Typically major instability involves replacement of the top executive concurrently with a modification of the institutional pattern of the regime, but not always. For instance, in the Philippines the major institutional changes and leadership alterations were executed without the replacement of the top executive, Ferdinand Marcos, and indeed were implemented by him. In systems where the top leader has enormous personal freedom of maneuver, the replacement of the single top leader can be overwhelmingly important by itself, as was true in Iran. Usually, however, modifications of the basic institutional pattern, caused either by changes in the elite, by organizational problems within the governing institutions, or by changes in the bases of political support and opposition, are the sources of greatest concern to the local people, to journalists, and to foreign governments alike.

Because the relative weight within the regime of the executive leadership, the governmental institutions, and the political coalition varies so much, and because the relations among these components vary so much as one surveys diverse countries and diverse eras, it is always necessary in any given case to gain some sense of the overall structure of that polity in all its uniqueness. This implies from the outset that no pat formula for analysis of political stability will ever suffice, just as no single method of analyzing the prospects of a business would

ever apply to the entire range of businesses from a hole-in-the-wall black market shop in Burma to a Minnesota wheat farmer to a firm which monopolizes world tungsten trade. Nonetheless, it always useful to know something about each of the principal components, namely the executive leadership, the institutional base, and the political coalition, before passing judgment on the overall institutional pattern.

The Executive Leadership

The psychological orientations and skills of the top leadership frequently are critical determinents of political stability or instability. These orientations and skills are seldom measured well by quantitative techniques, but are easily assessed by any knowledgeable observer.

The critical qualities for stability of the top leadership are patriotism, skill, honesty, unity, and a stable relationship with the supporting institutions and political coalition. The importance of these qualities is so self-evidently important that commentary on them may appear trite. However, most of the modern literature on revolution ignores them. Usually the qualities of the executive leadership are exemplified by a single top leader--the king, the president, the prime minister--or in a small minority of cases by a small collective leadership such as Brezhnev and Kosygin or Hua Kuo-feng and Teng Hsaio-p'ing. Ever since social science discovered, in the decades before Marx, the tremendous importance of those social forces which compose the social coalition and its adversaries, social scientists have tended to downplay the importance of the top leader. Great man theories of politics are out of style. However, particularly in the Third World, it is critically

important not to underplay the role of individual leaders. Kenyatta of Kenya, Park Chung Hee of South Korea, Mao Tse-tung of China, Mobutu of Zaire, and Stalin of the Soviet Union, as well as the Shah of Iran, exercised enormous personal influence over the directions their societies took. It made a very large difference indeed to China's economic and political development that Mao Tse-tung lived to implement the Great Leap Forward of 1958-1961, and the Great Proletarian Cultural Revolution of 1966-1968, rather than dying in, say, 1957 and allowing a generation of P'eng Te-huais, and Liu Shao-Ch'is, and Teng Hsaio-p'ings to rise to the fore two decades earlier.

The personal orientations of executive leaderships vary enormously, even in regimes which the popular press lumps together as similar. First, they differ in their motivations. On values, Duvalier of Haiti, or a Somoza of Nicaragua appears to be motivated by overwhelmingly by a search for personal power and personal enrichment, and his principal subordinates appear to reflect that orientation. Park Chung Hee, Lee Kwan Yew, Chiang Ching-Kuo, Mao Tse-tung, Julius Nyerere, and even the Shah of Iran clearly were driven by patriotism--that is, by a desire to build their countries politically, economically, and strategically. Other things being equal, leadership by men of the latter orientation tends, in the modern world, toward a more stable polity.

Second, the top leaders differ markedly in honesty, frequently with critical consequences for their regimes. Park Chung Hee has been known from his days as a young officer to be a man of singular financial propriety. He and his collegues came from a group of young Korea Military Academy trainees whose patriotism and financial standards bordered

on the fanatical. In contrast, the extraordinary corruption of the elite leadership in the Shah's Iran, where one gentlemen received $45 million in bribes for a tank contract, in Batista's Cuba, or in Chiang Kai-Shek's China before 1949, where the wealth of the Soongs became legendary, constitutes a disease that infects the government's ability to formulate sound policies, to implement those policies, and to generate public support for policies. While there is now an entire literature in economics, political science, and sociology which demonstrates that substantial corruption is inevitable in developing countries and that some of it has even beneficial side effects, it nonetheless remains true that an elite whose basic orientation is nationalistic and honest provides a sounder long-run base for a regime than one which is profit-oriented and corrupt. Park Chung Hee, Mao Tse-tung, Chiang Ching-Kuo, Qaddafi, and Castro built upon a much stronger foundation in this regard than Mobutu, Batista, Somoza, and Duvalier. Analysts who have for nearly two decades predicted the downfall of Park Chung Hee have often erred in lumping him together with such dictators as Somoza and the Shah. It is a matter of the utmost importance when a dictator is known for his patriotism, for his financial integrity, for keeping his funds within the country rather than in Swiss banks, for educating his children at home rather than abroad, and for risking his career for his country rather than vice versa. This difference in orientation was one critical source of the difference in

outcome between the regime of Ho Chi Minh and the regime of Nguyen Cao Ky.

A corrupt top leader is invariably supported by a corrupt top leadership. Corruption at the top spreads almost instantly by capillary action through all the bureaucratic channels of the government and through major social institutions. On the other hand, there frequently are top leaders who are personally concerned primarily with power and therefore are financially honest, but who tolerate (or are ineffective in combatting) massive corruption among their subordinates. In this case, too, both the top leadership and the principal government institutions are invariably weakened and can survive only so long as they are lucky enough to avoid challenge by a more patriot and honest opposition.

Patriotism and honesty however, hardly suffice. History is filled with decent, well-meaning leaders who lack the strength and skill to maintain their positions and lead their countries. The kinds of strength and skill required of an executive leadership vary enormously from country to country and from era to era, but their presence or absence is virtually always obvious. Bishop Muzorewa of Rhodesia was widely regarded as a patriotic and honest man, but he lacked the requisite strength and skills. The evidence of inadequate strength derived from such incidents as Ian Smith's dismissal of a black justice minister, who was working as a surbordinate to Muzorewa, without any riposte from Muzorewa. The lack of key skills derived from his lack of experience in either military or economic leadership.

In Muzorewa's case, as in most others, these two difficulties were not just personal, but characterized the leadership elite which he represented. That leadership developed via Western education and via acceptable channels as defined by a white regime. The Muzorewa elite's political methods and personal values were not tempered by the fire of combat, although they could not have attained high position without the combat of others, in the Patriotic Front, whose position they did not acknowledge. Their political position rested largely on widespread popularity rather than on the foundation of a strong political organization. As a product of the system in which Muzorewa and his associated black leaders were excluded from economic or military responsibility, they gained little experience in those fields.

South Korea in its brief period of democracy (1960-'61) represents another case where a weak top leader reflected the weakness of a whole elite. After the fall of Syngman Rhee, and after a brief interim government, an election brought to power the Democratic Party and its leader, Chang Myon. The victorious Democratic Party was divided into a new faction led by a weak leader, Chang Myon, and an old faction determined to prevent the success of the new faction. Factionalism ensured the emergence of weak parties and weak individuals in numerous ways. The old faction collaborated with former members of Syngman Rhee's Liberal Party, thereby weakening the Democratic Party. Members of the Democratic Party defeated in nominating procedures simply ran on the party's ticket anyway, thereby ensuring division of the party's votes and defeat of both nominees. The two factions engaged in violent physical attacks on one another. Mutual slander became a principal form of competition between the factions.

Moreover, within the new and the old factions, there was equally serious factionalism. Both factions were led by political weaklings. Chang Myon, leader of the new faction, was a passive, indecisive figure, who managed to get on very well during the Japanese period and therefore lacked strong nationalist credentials. Chang maintained his position in part by reneging on a promise to his principal rival that the latter would receive the nomination for the vice presidency in 1960, in return for stepping aside in Chang's favor in 1956. After the death of this rival, Cho, the old faction also nominated a weakling, Yun Po Sun, whose main virtue was that he never offended anyone. He also had managed to do well during the Japanese period, and had served as an official in the Syngman Rhee government, thereby impairing both his nationalist and his democratic credentials. Chang Myon subsequently became prime minister and Yung Po Sun became president. Chang Myon repeatedly demonstrated political and physical cowardice, for instance, by going into hiding when a conflict was likely. "Yun's ascendence and stature on the political scene, was primarily due to his wealth, some interest and ambition in politics, and his inability or unwillingness to undertake any activities such as business or scholarly work."*

The party structure of the day ensured the rise of such weaklings to the highest political positions. Syngman Rhee's intimidation campaigns weeded out some potentially strong political figures. The rest were weeded out by the determination of the opposition party factions to bring to power weak men whom they could manipulate. Given this

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*Sung Joo Han, The Failure of Democracy in South Korea, (Berkely California: Univ. of Calif. Press 1974), p. 114.

background, it was relatively predictable that the regime would behave in inconstant and opportunistic fashion and would quickly fall. Similarly, given the inexperience and frequent disinterest of the principal party politicians in economic and military affairs, and given their focus upon appointing officials in accordance with patronage considerations to the exclusion of merit, it was predictable that the policies would lead to military and economic weakness.

The Korean case also illustrates the democratic regime's lack of another principal virtue, namely unity. A regime based on no particular principles other than opportunistic factionalism will invariably be a weak regime. Similarly, a regime built upon strong but conflicting ideologies will likely be weak. Korean factionalism, in North and South alike, provides vivid illustrations of the dangers of factionalism. The Patriotic Front in Rhodesia (now Zimbabwe), divided between Nkomo's Mugabe's followers, illustrated the weakness consequent upon factionalism nearly as well as did the governing Muzorewa elite. Political division within the elite nearly always adversely affects the position of the military. In the vast majority of the great revolutions of history, including especially the French, the Russian, and the Iranian, the government has been unable to deploy its military and police forces. Either the military retains its unity and becomes opposed to the weak and inconstant government, or the military internalizes the political divisions of the ruling political elite. A divided army will either engage in civil war, as occurred in the U.S. in the 1860s, or will sulk in the barracks rather than defending the regime, as occurred in Iran, France, and Russia.

Just as democratic South Korea provided an outstanding example of leadership division and incompetence, so authoritarian South Korea provides an unusual example of regime unity and skill. South Korea had the advantage of being a homogeneous society which had reacted with relative uniformity to the horrible experience of a brutal Northern invasion. The society therefore provided the basis for building a unified regime. Patriotic, modern, and honest elements within the military outmaneuvered and purged their competitors within the military and, under the leadership of Park Chung Hee, proceeded to undertake the same kind of institution building within the government that had previously occured within the military. The result was an imposition of unity upon a previously factionalized polity and the introduction of merit principles into hitherto corrupt bureaucracies run solely on the principle of patronage.

Rather than maintaining direct power, as so many other Third World military regimes have done, the Korean military quickly retreated from direct exercise of political authority, partly driven by its own motives and partly by U.S. pressure, and proceeded to coopt the most dynamic civilian leadership. Wave after wave of the finest available professional talent was drawn into the Korean government by a civilianized leadership determined to impose modernity upon the country. Japanese-trained officials were replaced by American military trained personnel. Then came a wave of Koreans trained by American civilians, including successively natural scientists and engineers in the early 1960s and economists in the late 1960s, followed by political scientists and sociologists in the 1970s. South Korea, unlike North Korea and even Japan, was

remarkably open to foreign-trained leadership and, unlike all other societies in Asia, was open to young leaders in their thirties and forties, rather than being run by old men like Chiang Kai-Shek, Mao Tse-tung, and even Takeo Fukuda. The ability of the South Korean elite to absorb such people was ensured by institutions which will be further discussed below.

In short, the staying power of an executive leadership derives primarily from that leadership's central motivations and from its skill, honesty, and unity, as well as from its ability to relate to the government institutions and to its supporting political coalition. These are qualitative characteristics, easily assessed by knowledgeable observers. Such qualities are characteristically ignored by analysts who emphasize quantitative techniques to the exclusion of qualitative observation. They are usually analyzed quite unsystematically by journalistic and academic observers, who moreover have an almost unfailing tendency to equate one Third World dictatorship with another. South Korea, such journalistic writers will hold, must be unstable because it is an Asian dictatorship like South Vietnam, or because it is a rapidly growing dictatorship like Iran. Systematic accounting of these principal qualities can avoid both the quantitative fallacy and the journalistic fallacy.

Governmental Institutions

The executive leadership implements its policies through key central government institutions, including the ministries, the military, and such other institutions as police, intelligence agencies, and think

tanks. These institutions provide the information on which executive policies will be based, implement the policies, and report on the success or failure of the policies. Therefore, if the government institutions are incompetent or corrupt, the executive leadership may be confused by inaccurate information, and its policies may become mere words devoid of consequence. The executive leadership in such a situation may have little control over either its own destiny or that of the nation. Otherwise capable executives may therefore be ineffective or find themselves deposed before they can act decisively. Moreover, it is far easier for a corrupt executive leadership to degrade and compromise effective institutions than it is for skilled and honest excutives to upgrade corrupt and incompetent institutions. The record of moderate reformers is spotty at best. Frequently, corrupt and incompetent institutions create such vested interests in the status quo that they can only be reformed by the revolutionary intervention of such outside forces as the military, a communist party, a fascist party, or an extremist religious party. Restoration of effective and honest institutions has been a central thrust of such diverse revolutionaries as Park Chung Hee, Mao Tse-tung, Mussolini, Ayatollah Khomeini, and the numerous founders of new Chinese dynasties. As the examples of Mussolini and Khomeini suggest, purity alone will not make the trains run on time, and making the trains run on time is by itself insufficient, but coherent, efficient, honest, meritocratic institutions certainly help stability.

Most of the regimes which have historically suffered the most grievous defeats have been marked by institutional ineffectiveness, inefficiency, and corruption. Iran's principal institutions were run on the basis of nepotism and bribery, with few officials competent to manage the organizations and technologies for which they were responsible. Although South Vietnam's army contained two divisions of high

caliber, more typical of the quality of South Vietnamese institutions was a division nicknamed the "Olympic Division" because of its talent for running away from battle. The results of massive institutional inefficiency in such a society are immediately evident to any observer: in the failure of vital military equipment and economic supplies to reach their destinations in Vietnam, in the extraordinary slums without public services created in so many Latin American cities, in the speed with which the Philippine Army departs an area when the Philippine Navy shows up to shell the enemy, and in Indonesia's building of massive tourist projects which attract no tourists. The results of such institutional incompetence and corruption are not subtle. They are massive and readily visible. They can be measured, but the measurement is usually superfluous.

Effective institutions perform well, adapt well to crises, possess structures appropriate to their roles, and are staffed by well trained and highly motivated personnel. These are the criteria for effective institutional support of regime stability. By examining the largest patterns of institutional performance, adaptability, structure, and personnel over a period of time, one can easily establish the structural soundness of a government in much the way that an architectural inspector assesses the soundness of a building's structural support. The key institutions are the military, the educational system, the ministries promoting urban growth, rural growth, and economic equity, and the political institutions. The example of South Korea can demonstrate such an institutional analysis. We shall examine in turn the South Korean military, educational, urban growth, rural development, income

distribution, and political institutions, according to the criteria designated above.

The South Korean military grew out of a history of Yi dynasty insistence upon maintaining civilian control by insuring the ineffectuality of the military, as well as a later history of Japanese determination not to develop effective Korean military institutions. The U.S. provided minor training programs for the South Koreans in the late 1940s, but did not emphasize them or fund them well, because the training programs were primarily a public relations screen to justify disengagement from Korea in 1948-49. However, during the Korean war, effective South Korean military units were trained, and key institutions were created, namely the Command and General Staff school, the National Defense College, and above all, the Korea Military Academy. The Korea Military Academy became a base of near-fanatical patriotism, honesty, and emphasis upon modern military training. Young officers like Park Chung Hee, trained at the Korea Military Academy, then cleaned up small units of South Korean military and later used those units as bases to overthrow the government and to conduct a purge of corrupt and incompetent senior officers.

By the late 1960s, the loyalty and discipline of the South Korean military were unchallenged by any observer. In some ways, their discipline became superior to their American counterparts. Unlike the American Army in Korea, the Korean Army has no drug problem. By the late 1960s, North Korean infiltrators penetrated primarily through the U.S. division because South Korean forces were more effective than U.S. forces in stopping infiltration. By 1971, South Koreans manned the whole border

of the demilitarized zone without any serious allegation that military risks resulted from such heavy responsibilities. South Korean troops proved extremely effective in Vietnam, partly because of superior discipline and partly because they did not rely so heavily as Americans on mobility and firepower. A feeling that their performance in Vietnam had been superior to American performance finally terminated a morale problem that had existed ever since the defeat by North Korea in 1950. The institutional development of the South Korean military reflects an increasing emphasis upon discipline, honesty, and competence, a pattern of consistently superior performance under varied conditions, a willingness to exploit bright and well trained young men and to promote them quickly even at the expense of influential senior officers, and the creation of numerous think tanks and other institutional innovations to ensure a constant inflow of innovations. Thus, although military units provide fewer overt indicators of their performance than most other societal institutions unless they are engaged in war, the South Korean military is clearly a highly effective institution.

Similarly, South Korean educational institutions exhibit strong indicators of institutional quality. South Korea at independence lacked virtually all the basics of modern education, namely, schools, teachers and literacy. It possessed almost no non-Japanese teachers and virtually no textbooks in any language other than Japanese. Between 1945 and the late 1970s, South Korea's literacy rate rose from 22 percent to well over 90 percent. School registrations rose from 1.4 million in 1945 to 8.7 million in 1977 and teachers from 20,000 to 200,000. During this period, traditional forms of education in the Confucian classics

and in humanistic activities which were economically unproductive, were transformed into a system that emphasized vocational programs and skills that would directly feed a modern economy. At the same time, the educational system provided a uniformity of access and training that greatly facilitated South Korea's achievement of an egalitarian income distribution. In most Third World countries, by contrast, education continues to emphasize the traditional professions rather than modern technical knowledge and to insure heavily to the benefit of an economic elite. The system has adjusted rapidly to the changing needs of an extraordinarily booming economy, and is in the process of shifting successfully from pure teaching to a teaching and research emphasis. Despite problems, which include a traditional overemphasis on rote learning, and a dissonance created by an effort to square democratically oriented textbooks with South Korean political realities, the system has performed well in both quantitative and qualitative terms, has adjusted to changing social circumstances, has successfully attracted an extraordinarily talented cadre of teachers and administrators, has changed successfully away from an impracticable American-model administrative system to a more centralized South Korean system, and has successfully linked itself to the economic planning institutions and to the president's office through a series of think tanks and other institutional innovations.

A third institutional complex consists of those institutions oriented toward promoting growth of the urban industrial economy and of trade. These institutions, along with the rural development institutions, have faced a nearly impossible task. "In 1934 the Japanese governor

estimated that every Spring he saw about half the Korean farmers scouring the countryside for bark and grass to eat."* The Korean economy in the 1950s and the early 1960s grew slowly and was marked by massive unemployment. However, after the institutional reforms promulgated by the Park Chung Hee government, Korea's growth rate soared, based largely on industrialization and trade growth. From 1962 to 1977, Korea's average economic growth rate was 10.3 percent; from 1970 to 1977, it was 10.8 percent; since the 1973 oil embargo, it has exceeded 11 percent. Unemployment has largely disappeared. Social infrastructure has kept up with economic growth and with urbanization, although Seoul has grown to 8 million people. These economic successes have been passed by South Korean trade. Exports rose from $4.8 million in 1962 to $12.7 billion in 1977.

The economic growth successes have not been a hothouse plant. Although South Korea imports most of its energy in the form of oil, growth since the oil embargo has been more rapid than growth before the oil embargo. Although South Korea had few exports to the Middle East in 1973-74, it not only surmounted the balance of payments crisis caused by the skyrocketing oil prices, but also managed to balance its trade with the Middle East by 1976 and to earn a balance of payments surplus from the Middle East thereafter. Korea has surmounted Western protectionism by responding to limits on export volume with improvements in export quality. Its exports rose more than 20 percent even in 1975, a

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*Irma Adelman and Sherman Robinson, Income Distribution Policy in Developing Countries: A Case Study of Korea (Stanford, California: Stanford University Press, 1978), p. 38. Citing T. Hataka, History of Korea, (New York: Clio Press, 1969), p. 126.

year of severe recession. Its export growth rates have not declined as a result of Western protectionism. Although South Korea is highly dependent upon world trade, it has achieved its five year plan (1972-1976) goals despite the oil embargo, Western protectionism, and world recession. While the economy got into difficulty, as Park aged and made bad decisions on wage policy and heavy industrial investment, and then suffered major reverses after Park's assassination, institutional strength made possible a recovery despite global stagflation, high oil prices, and high interest rates in 1981.

South Korea's economic growth has been planned by government planning units, guided by the credit rationing of the Bank of Korea, led by the development of massive trading companies (13 of which exported over $100 million by 1977), and staffed by executives in their late thirties and early forties who were trained at the best American institutions. Thus, by the criteria of general performance, crisis performance, structural soundness, and personnel quality, South Korea's economic institutions appear very sound indeed.

South Korea's rural development institutions have followed a parallel course. Rural development was slighted in favor of urban development until the early 1970s, but in the meantime the government built the basic infrastructure of roads and communications, created an agricultural extension network, introduced new varieties of rice, and subsidized fertilizer. Beginning in 1970, the government introduced the Saemaul program, which provides villagers with assistance in building roads, meeting facilities, bridges, irrigation networks, reservoirs, and water distribution systems, and teaches villagers how to organize for development. The government successfully put the primary onus for planning projects on the villages themselves, and provided assistance only in return for large efforts from the villagers. It rewarded the most successful

villages, rather than subsidizing the most unsuccessful. The result was rapid rural development which did not place a huge administrative or economic burden on the central government and which was driven by a chain reaction of expectations of success. As a result, South Korea went from being a major rice importer to being a rice exporter. Farm income has risen roughly in accordance with the extraordinary growth of urban income. The distribution of land and income has nonetheless remained remarkably egalitarian. Villagers who once lived in poverty reminiscent of Pakistan or Bangladesh now universally possess radios, cement, good housing, and piped water, and assume that they will dress well, send their children to competent schools, and even take vacations.

All these developments have put a strain on South Korea's income distribution programs. It is generally accepted among economists that economies at the level of development of South Korea's experience the most intense pressures for income inequality to increase. Moreover, it is generally believed that an emphasis on rapid economic growth tends to exacerbate income inequality. The more rapid growth of urban industry than of rural agriculture enhances unequalizing tendencies. South Korea thus faces extraordinary pressures toward increasing inequality. Despite these pressures, South Korea has not employed the Western techniques of massive income transfers, minimum wages, and unionization. It has however, conducted a massive land reform, made reduction of unemployment the highest priority economic goal, emphasized labor intensive industrialization, adopted progressive tax policies , and adopted massive luxury taxes. It has taken strong action to ensure that educational opportunity is uniform, even to the extent of abolishing five

elite high schools which were at one time providing more than half the entrants into the Seoul National University. The result is that, although South Korea faces extraordinary pressures toward an inegalitarian income distribution, and although econometric models of the South Korean economy show it to be very resistant to income redistribution programs, South Korea has ended up with an income distribution more egalitarian than all but five countries in the non-communist world. In a 1975 World Bank study*, South Korea was shown to have an income distribution superior to all non-communist countries except Australia, Canada, Japan, Libya and Taiwan.

South Korea's political institutions represent a more mixed situation. South Korea entered in the 1950s with only a sense of cultural identity as a major political asset. South Korea's sense of nationality was pan-Korean and therefore as much a dividing as a unifying force. The country was ideologically polarized between extreme right and extreme left, and it lacked even the most elemental consensus as to the appropriate means of governance. Outbreaks of rural and urban violence were common. Political parties, government ministers, and the military and police were all divided into contending factions that frequently immobilized them. Bribery and corruption were massive and omnipresent. The tenure of high officials other than the president was typically only a few months.

Since that time, South Korea has achieved an anti-communist national consensus and a consensus on the basic modes of urban economic development,

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*Shail Jain, Size Distribution of Income: A Compilation of Data, Washington, D.C.: World Bank 1975.

rural economic development, and income distribution, although the presence of a small group of extremely rich entrepreneurs remains the subject of intense political controversy. The National Assembly is elected by honest elections, but is a largely powerless institution. Park Chung Hee was elected indirectly by a National Council for Unification, which was in turn an elected Council of non-political figures. The rules confining the National Council for Unification to non-political figures and allowing President Park to appoint one third of the National Assembly ensured the continuation in office of Park Chung Hee and also ensured continuing political controversy over such a system. Harsh methods in dealing with political opponents also ensured a degree of dissensus.

A government which is relatively small in terms of proportion of the population and proportion of the economy exercises extraordinarily successful control over the nation's economy and other aspects of society. The government as a whole is honest (by the standards of Third World countries or of Massachusetts state government), able to act, highly competent in achieving its goals, and able to attract the best talent available. In addition to ministries of the kind that other governments possess, the South Korean system includes a group of think-tanks reporting directly to the President on every major governmental function from education to income redistribution. Those think-tanks ensure a steady flow of high powered talent and modern innovations to the center of government. The South Korean system also includes a centralized communication and coordination mechanism, the Korean Central Intelligence Agency which

appears to provide sensitive coordination, while at the same time acting as an unusually insensitive tool of political repression. The South Korean government works effectively with business as well as the military in ensuring that such national goals as security, rapid growth, and egalitarian income distribution are achieved. The South Korean government has thus achieved a great deal, including a consensus on many of the major issues, effectiveness of individual institutions, and overall coordination of major institutions.

These achievements are numerous and impressive, but the achievements in creating an institutionalized political system lag far behind the achievements in creating effective governmental administration. While the consensus on anticommunism and on domestic economic structure are impressive political achievements, there is no strong, positive ideological consensus. To the extent that South Korea has a dominant ideology, it is democratic, inculcated by Western-oriented teachers using American-style textbooks to teach the entire post-Korean War generation; this ideology is in great tension with actual South Korean political practice. Authoritarian practice coincides with increasingly widespread democratic education and with dramatic increases in the size or cohesion of the principal democratically-oriented opposition groups: labor, intelligentsia, middle class, and Christians. Moreover, while Park Chung-hee was able to professionalize the military and keep them out of domestic politics so long as he was in power (unlike, for instance, the situation in Indonesia), severe military-civilian power occurred

after Park's assassination. And, despite a series of Constitutional provisions for succession, there remains uncertainty regarding the viability of constitutionally mandated methods of succession. During the 1980s or early 1990s, the political question will have to be faced, and probably faced in much starker terms, given South Korea's social trends, than was the case under Park or in the early years under Chun.

The overall South Korean institutional system appears to have an unusual coherence by third world standards. The economic institutions complement one another to achieve South Korean's goals and ameliorate conflicts among them. The open trading economy emphasizes exports of manufactured goods produced by labor-intensive means. Successful export of these goods raises the incomes of the poorest workers, thereby ameliorating the urban income distribution. These workers spend most of their additional income on food, thereby enhancing demand for agricultural products. Korea's farms, whose rising agricultural productivity would in other circumstances lead to gluts and disastrous declines in farm income, therefore face rising demand and rising prices. The good fortune of urban workers attracts the poorest rural people to the cities, thereby ameliorating the income distribution of the rural areas and offering improved conditions to the emigrants.

Thus agricultural income and urban income rise in tandem. Government works with business and with agriculture to assure rapid technological progress and to minimize social disruption. Thus, while South Korea faces difficult problems in the future, it addresses those problems with a base of institutional strength and competence that is almost unique in the third world.

Social Coalitions

Important as the executive leadership and its subordinate institutions are, every regime rests ultimately on a more diffuse base of social support. No regime need worry if it rests upon the combined support of all major social groups--a happy condition that seldom occurs except in countries united by an external threat, although several major democracies approximate such an ideal even in peacetime. Likewise, no regime can survive, regardless of its patriotism, honesty, skill, unity, and institutional competence, if it has lost the support of most social groups. More often, particularly in the Third World, a regime depends upon some particular coalition of social groups, is opposed by another coalition, and maintains power only through vigorous efforts to strengthen its supporting coalition and to weaken the adversary.

The coalition supporting a government is a collection of social groups which favor the government and support it through obedience, expressions of support, organized political pressure, willing financial subsidy, or in other ways. As previously noted, the principal social groups available to support a government coalition, or to take neutral

or adversary positions, usually consist of the military, the civil service, the intelligentsia, the employees of state firms, the executives of large industries, small businessmen, various divisions of the labor force, landlords, peasants, and various religious and ethnic groups. The importance and weight of various social groups varies enormously from country to country, depending upon the history, level of development, economic structure, and ethnic make-up of the country.

The United States provides an extreme example of a regime supported by all major social groups. Farmers, blue collar and white collar workers, corporate executives, civil servants, the military, and all major ethnic groups support the system. They will accept the political leadership of either major party and hence constitute support for whatever government currently rules. Opposition to the system is largely confined to small groups of Indians, tiny minorities within the Puerto Rican community, and small discontented segments of the highly educated upper middle class.

The Shah's Iran represents the opposite extreme. By late 1978, the Shah had alienated every major social group. The mullahs and their zealous religious supporters had been alienated by expropriation of the mullahs' land and by modernizers' infringement of various traditional codes, such as those dictating the proper traditional role and behavior of women. The left was alienated by the international and domestic alignments of the Shah, as well as by the monarchical structure of his regime. The middle class was alienated by outmoded and repressive political institutions and by rampant corruption and inflation. Recent urban immigrants were alienated by rapid social change and chaotic social

services. The bazaar merchants were alienated by harsh efforts to stem inflation. The traditional bureaucratic and military supporters of the Shah were neutralized or thrown to the wolves as the Shah desperately sought to appease his critics by disowning his old allies.

A good example of the way in which a more subtle change of political coalition can lead toward a change of regime is provided by the recent history of Brazil. In the early 1960s a democratic and populist regime became so much a tool of ideologically-oriented labor movement demands, and various groups' economic demands, and also so weak in the face of rampant social disorder, that political disorder, widespread strikes, inflation in excess of 80 percent, and economic stagnation made society appear chaotic. The disorder alienated the military, the middle class, industrial entrepreneurs on all levels, and neutralized most support that the regime might otherwise have expected from academia and the Catholic Church, while not gaining the active support of the labor movement and the student movements to which it had become beholden. As a result, in 1964, the democratic regime was overthrown by a military government, which took power in response to massive middle class demonstrations in most of the major cities of Brazil, demanding an end to inflation and disorder.

The coalition supporting the 1964 military government consisted of the military and the industrial entrepreneurs, with the support of the middle class and some support from elements of the Catholic Church and the academic establishment. The military sought an end to the social disorder and economic failure that had eroded the basis of national self-esteem and national power. The industrial entrepreneurs

sought an end to corrupt patronage politics, social disorder, and the inflation and myopic economic policies of the preceding regime. The middle class and its associated groups sought an end to social disorder and economic chaos. The military regime successfully suppressed social disorder and, by disarming the strong social pressure groups, greatly reduced the rate of inflation. The military terminated patronage politics and established a meritocracy, particularly in the institutions controlling the economy. It founded an economic planning system and a set of basic economic policies which led to very high rates of growth (averaging ten percent per year, 1967-1974) and to a great reduction of the inflation rate. In particular, it made the economic institutions function with reasonable honesty and effectiveness, opened the country to foreign capital, reversed policies of import substitution industrialization which were subsidizing inefficiency, and created a system of incentives and economic control mechanisms which stimulated a great economic take-off.

By the late 1970s, however, conditions had changed. The economic policies which had early been so successful had gone overboard and created massive debt (about 58 billion dollars at the end of 1980) and rapid inflation (over 100 percent per annum at the end of 1980). Growth declined to respectable but not spectacular rates of 6 to 7 percent per year. A new generation took for granted the meritocracy and the rapid economic growth of the economy. Social problems became too complex for management by a small military elite. The repression associated with defeating a terrorist opposition, and with suppression of the pressure groups that had earlier caused disorder, alienated

the Catholic Church, the intelligentsia, and much of the middle class. Dependence on foreign capital had created a nationalist backlash. A combination of incentives for foreign capital and state take-over of much of the Brazilian economy seriously alienated the Brazilian industrial elite which had been one of the major supports of the early military regime. Thus the coalition in 1978 consisted of part of a divided military, a greatly enlarged sector of state firms, and small elements of other social groups, while the great industrialists, the middle class, the academic establishment, the church, and the labor movement had moved firmly into opposition. As a consequence, it was possible to predict in a study conducted in the summer of 1977 and published in late 1978 that Brazil would try to begin to move away from military rule and back in the direction of civilian democracy.*

A second example of a changing political coalition is illustrated by the situation of certain East European countries, particularly Poland.** The urban working class, once thought to be the mainstay of any communist regime, is becoming more assertive and is moving into opposition. In the early phase of communist modernization, workers and communist party leaders were often closely associated in military activities or in the organization of labor unions. Workers were fresh from the countryside and freely available for mobilization into new social activities such as the Communist Party. They were few and relatively uneducated. However, as industrialization proceded in Eastern Europe, the working class became very large, its education greatly improved, and its ties to the communist parties were attenuated by the development of the

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*See William H. Overholt, ed., The Future of Brazil, (Boulder, Colorado: Westview Press, 1978), especially Chapter 1.

**The following paragraphs are reproduced verbatim from a Hudson Institute report #3034/2, publishe's by this writer and others in July 1979. See also "Trend to watch: The Rise of Workers Class Assertiveness in Communist Sociaties," Global Political Assessment 3 (April 1976 - October 1976)

latter into a separate governing bureaucracy. The workers have therefore evolved inexorably in the direction of forming autonomous working class organizations, with effects that are as corrosive of Communist Party control in Poland as the early development of unions was to bourgeois control in England during the industrial revolution. Moreover, the alienation of parts of the intelligentsia has proceeded to the point where, in 1976, Polish lawyers and intellectuals joined with workers to oppose the regime. In consequence, the communist government of Poland found itself for the first time having to engage in sustained negotiations with organized worker groups. Nothing could be more destructive of Communist Party aspirations toward totalitarian control. Moreover, the economic sentiments of organized workers have been supplemented by nationalistic sentiments directed against the Soviet Union. In subsequent years, the scope of organized discontent has spread to the countryside, infecting rural people, and has also spread to the point where there were recently clandestine border meetings between Polish dissident groups and dissidents from adjacent communist countries. The trends are so dramatic, and so firmly based upon inexorable social trends, that an eventual change in the nature of the regime, or an eventual necessity for massive Soviet invasion to reverse the political change, is utterly predictable.

There are no pat criteria for judging the inherent strength of a coalition. Coalitions differ in their component groups, in the relative weight of their component groups, in the effective terms of alliance among the component groups, and in the strategy with which the coalition

addresses its adversaries. Rather than seeking standard formulae, the analyst must acquire a sense of history and of judgment, together with a sensitivity to trends in the orientations of various social groups. Most of the apparatus of modern social science has been directed toward the details of how specific social groups would be expected to feel in the specific situations. For instance, a whole ideology has grown up around the use of measures of social inequality to predict political instability, on the theory that social inequality causes frustration, which in turn leads a social group into an aggressive adversary relationship with the government. Applied to whole societies, such theories are virtually worthless. Brazil, one of the most unrevolutionary of countries, should by such measures of social inequality be one of the most revolutionary countries of history. However, such a hypothesis cannot withstand detailed scrutiny of the particular consequences of rapid growth and upward social mobility in the Brazilian social and cultural context. What is needed instead is a fine journalist's sensitivity to the motivation and organization of various social groups and to relations among those social groups. The quantitative apparatus of behavioral social science is primarily useful in hinting at the possible orientations of certain social groups, for instance those which suffer particularly severe inequality, rather than in predicting overall political trends.

System Characteristics

As with most systems, the overall political regime is considerably more than the sum of its parts. Having examined a regime's executive

leadership, its government institutions, and its social coalition, as well as it adversaries, one knows a great deal about the system. However, such an analysis does not necessarily explain the dynamic interactions among the parts of the regime and its adversaries. Different kinds of political systems display different characteristic strengths and weaknesses, and a good analysis of a given system should begin from a knowledge of the characteristic strengths and weaknesses of that kind of system and then proceed to more detailed analysis.

Detailed examination of the strengths and weaknesses of all major forms of political systems has of course been a preoccupation of philosophers and political scientists througout history, and even a brief summary of the resulting accumulation of knowledge would take us far afield. Nonetheless, it will be useful to outline briefly a few examples of the kinds of system analysis mentioned here.

The classic large empire, ruled by an emperor through a centralized bureaucracy and a geographically extended nobility possesses strengths and weaknesses which give it a distinctive life cycle. When a Chinese dynasty, to take one obvious example, is conquering its opponent, it is a highly centralized, highly disciplined, highly meritocratic fighting force. It is highly responsive to the demands of its leader, because, were it not, its disunity would disqualify it as a challenger to the old regime. The leader in turn is a highly disciplined, skillful figure, because outside the functioning of an existing empire no sufficient base of political and military support could be acquired by a leader lacking these qualities. However, once the insurgent dynasty takes power, things begin to change rapidly. The emperor henceforth maintain

their position through heredity rather than skill and, given the lack of external discipline, an eventual descent into sloth invariably occurs. Various parts of the bureaucracy eventually acquire exclusive jurisdiction over important aspects of the empire and become relatively autonomous entities. Nobles ruling distant areas of the empire initially hold power only through their official relationship to the emperor, but eventually gain hereditary title to estates and positions and acquire the capability to act independently of the central power. Sloth at the center and the inexorable accretion of power to increasingly autonomous domains at the empire's periphery bring about an eventual loss of unity. Meanwhile, under traditional economic conditions, centuries of peace produce a population that eventually overwhelms the capacity of the economy to support it. These forces eventually render the kingdom vulnerable to internal revolt and external invasion.

The modern monarch faces a somewhat different set of problems. The monarch in a modernizing economy must cope with four critical facts. First, he is dependent upon the support of a traditional aristocracy. Second, modernization induces increasing demands from the peasantry for improved social and economic conditions. Third, the security of the country depends upon the development of a modern military, which is likely to see the security of the country as dependent not only upon acquisition of modern arms but also upon economic and social modernization in forms inconsistent with the traditional position of the monarch. Fourth, economic development brings with it an educated intelligentsia and middle class, which are likely to find a ruling monarch anathema to their basic beliefs. The king who seeks to retain his power by

relying on the traditional aristocrats will find himself eventually overthrown by the gradually mobilizing peasantry, or by a modernizing military which fears peasant radicalism, or by a modernizing military and middle class which regard rapid economic development as the key to security from external danger. The monarch who abandons the aristocracy in search of an alliance with the peasantry will antagonize the powerful aristocracy long before the support of the peasants becomes sufficiently organized and active to replace the old support of the aristocracy. Appeal to the military or the middle class is virtually certain to be unsuccessful, because the whole theory of legitimacy and the whole architecture of a monarchical regime will be anathema to modernizing bureaucracies and entrepreneurs. Similarly, any effort to retain the traditional system by impeding the modernization process will eventually anatagonize all four major groups because they will be aware of their country's inferiority to more rapidly modernizing foreign powers.

A characteristic modern <u>military dictatorship</u> initially has the advantages of decisive action and strong ability to implement decisions when it takes over the government. However, typical difficulties quickly set in. As the society modernizes and becomes increasingly complex, a small military elite becomes increasingly incapable of handling the complex problems. The difficulty in coping with complex problems is exacerbated because the repression characteristic of a military regime usually deprives it of much needed information about the problems and discontents of the society until those problems and discontents become unmanageably large. Moreover, the political divisions of the society

gradually infiltrate the former professional unity of the military, depriving it of its principal advantages, namely unity and decisiveness. Gradually the military regime becomes indecisive, politicized, corrupt, unpopular and, due to realization of its position, demoralized.

Democracies characteristically have the advantages of broad public support, of ability to change executive leadership as needed, and of ability to rejuvenate deteriorating governmental institutions through an alliance of executive leadership and broad popular pressures. In industrialized societies these strengths are balanced against a tendency for liberty to become licentiousness, a tendency for strong beliefs to be watered down in universal skepticism, and a certain institutional flabbiness that appears to develop as a concomitant of long periods of prosperity and of public demands for improved welfare even at the cost of institutional and financial discipline. So far in this century the strengths of the industrial democracies have heavily outweighed their weaknesses.

However, the fate of Third World democracies has for the most part been quite different. In a typical Third World context of weak central government institutions, democracy typically has unintended consequences. Democracy facilitates the organization of strong pressure groups, which press on the weak central government institutions. Those institutions give way, with the result of frequent political disorder. Because labor, business, education, military, and the government itself all impose financial demands on the government, another major consequence is inflation. Typically, in Third World countries, the political parties consist largely of patron-client systems where patronage is the predominant

political consideration. Civil service and executive leadership positions are doled out to political supporters who lack competence, thereby perpetuating and exacerbating the problem of weak government institutions. The result is a cycle of disorder and inflation which alienates the military, the middle class, and the peasantry alike, depriving the democratic government of the broad base of public support characteristic of industrial democracies. Moreover, democracies are characteristically unable to equalize income distributions, particularly in Third World countries badly in need of land reform. Elected parliaments usually are dominated by landlords and administered by bureaucracies staffed with the sons and daughters of landlords. The parliament will seek to avoid legislating land reform, and the executive will resist implementing it if legislated. Most democratic legal systems copied from advanced democracies heavily emphasize the protection of property and, even when they do not, the adversary judicial procedures associated with democracy in the West give the landlord enormous advantages in combating resourceless peasants. The result often is loss of support for the regime even among those groups which could normally be expected most strongly to support democracy, together with violent attacks from a peasantry that perceives democracy as class-based, from a middle class which fears loss of its savings to inflation, and from a military which regards the incompetence and weakness of government institutions as a threat to security. Brazil 1964 and South Korea 1961 are merely noteworthy examples of a phenomenon that has occurred throughout much of the Third World.