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## ABSTRACTS

### ORIGINAL SIN, GOOD WORKS, AND PROPERTY RIGHTS IN RUSSIA

BY TIMOTHY FRYE

Are property rights obtained through dubious means forever tainted with original sin, or can right holders make their ill-gotten gains legitimate by doing good works? This is a critical question for developing and transition countries, where privatization is often opaque and businesspeople may receive property, but remain unwilling to use it productively due to concerns about the vulnerability of their rights to political challenge. Using a survey of 660 businesspeople conducted in Russia in 2005, the author finds that the original sin of an illegal privatization is difficult to expunge. Contrary to a “Coasian” view of privatization, property rights transferred through a legally questionable privatization are seen as illegitimate long after privatization. Businesspeople, however, can improve the legitimacy of property rights by doing good works, such as providing public goods and using their assets well. Finally, managers who provide public goods for their region are more likely to invest in their firms than those who do not. This suggests a possible political rationale for the provision of public goods by private firms. These findings have implications for studies of privatization, property rights, and business-state relations in transitions and developing countries.

### DID GOVERNMENT DECENTRALIZATION CAUSE CHINA'S ECONOMIC MIRACLE?

BY HONGBIN CAI and DANIEL TREISMAN

Many scholars attribute China's market reforms and the remarkable economic performance they have fostered in part to the country's political and fiscal decentralization. Political decentralization is said to have stimulated local policy experiments and restrained predatory central interventions. Fiscal decentralization is thought to have motivated local officials to promote development and harden enterprises' budget constraints. The locally diversified structure of the prereform economy is said to have facilitated liberalization. Reexamining these arguments, the authors find that none establishes a convincing link between political or fiscal decentralization and China's successes. They suggest an alternative view of the reform process in which growth-enhancing policies emerged from competition between promarket and conservative factions in Beijing.

### A GEOGRAPHIC INCREMENTAL THEORY OF DEMOCRATIZATION

TERRITORY, AID, AND DEMOCRACY IN POSTCOMMUNIST REGIONS

BY TOMILA V. LANKINA and LULLIT GETACHEW

The article examines the impact of geographical proximity to the West and of Western aid on democracy in Russia's regions and advances a *geographic incrementalist* theory of democratization. Even when national politicians exhibit authoritarian tendencies, diffusion processes and targeted foreign aid help advance democratization at the subnational level in postcommunist states and other settings. The authors make this case by conducting process-tracing case studies of democratic institution building in two northwestern border regions and statistical analysis of over one thousand projects that the European Union carried out in Russia's localities over fourteen years. They find that the EU shows commitment to democratic reform particularly in, but not limited to, regions located on its eastern frontier. Over time, this, as well as diffusion processes from the West, positively affects the democratic trajectory of the respective regions even if they had been more closed to begin with compared to other regions.

### THE ROLE OF LEADERS IN DEMOCRATIC DELIBERATIONS

RESULTS FROM A FIELD EXPERIMENT IN SÃO TOMÉ AND PRÍNCIPE

BY MACARTAN HUMPHREYS, WILLIAM A. MASTERS, and MARTIN E. SANDBU

Despite a widespread trend toward the adoption of increasingly participatory approaches to political decision making in developing countries, there is little or no evidence that these

practices in fact return the benefits attributed to them. This article investigates one specific worry—that *participatory decision-making processes may be vulnerable to manipulation* by elites. The authors report on a field experiment, drawing on a unique nationwide experiment in democratic deliberation in São Tomé and Príncipe in which the discussion leaders were randomly assigned across meetings. The randomization procedure provides a rare opportunity to identify the impact of leaders on the outcomes of group deliberations. They find that leader effects were extremely large, in many cases accounting for over one-third of all variation in the outcomes of the national discussions. These results have important implications for the design of such deliberative practices. While the total effect of leadership cannot be assessed, it may still be possible to observe when leader influence occurs and to correct for leader effects in comparisons of outcomes across deliberations.

## INSPIRATION, COALITION, AND SUBSTITUTION

### EXTERNAL INFLUENCES ON POSTCOMMUNIST TRANSFORMATIONS

BY WADE JACOBY

There has been a recent explosion of interest in the external influences on the political and economic transformations of postcommunist states. This article consolidates several analytical advances in this literature and distills three main functions of external actors, namely, to lengthen the time horizons of postcommunist politicians, to expand the circle of interested reformers, and to deter opponents of reform. The article argues that a focus on external influences is a growth area for good conceptual work only if it addresses the union of foreign and domestic influences, rather than treating them as stylized alternative explanations. The central point is that outside actors should be considered as striving to influence the choices of existing domestic actors with whom they can be seen to form a kind of informal coalition. At bottom, outsiders do best through a combination of strategies: strengthening domestic actors already committed to their approach, winning over new domestic actors to their priorities, and preventing the unconvinced from obstructing reforms.

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