

Beyond Democracy: The Relevance of Informal Power in Eastern Europe

Introduction

More than twenty years after the Eastern European turn to democracy we receive a mixed picture: In Central Eastern Europe democratic structures are considered to be consolidated (Poland, the Czech Republic), in some other EU Eastern European member states, such as Bulgaria or Romania, the situation is less clear.¹ Other non-EU Eastern states are more or less tending toward autocratic governing structures, for example Russia or Ukraine.

In this sense, Jiri Pehe² has observed a gap between formal democratic structures and informal mentalities in the new democracies of Central Eastern Europe. Thus, considerable deficits in the democratic culture in the new democracies of Central Eastern Europe exist. Pehe pointed to the problem of “democracies without democrats”, to the fact that the democracy-building process has yet to include the transformation of a political culture still marked by intolerance, polarization, or confrontation. For the case of Hungary, Bozoki and Simon³ underline the dangers of a “highly conflictive nature of politics”. It is about how political elites and their parties are acting, communicating, and dealing with others, with other parties or their citizens. This conflictive nature creates a gap between democratic structures and mentalities.

The idea of a lack of democrats within democratic structures is quite an adequate way of describing the way politics and political power works not only in the so-called “electoral democracies” in Eastern Europe which are hiding rather authoritarian structures, but particularly in the new democracies. The consequences can be wide-spread. Valerie Bunce expressed them in the following way: “democracy, therefore is flawed, and these deficiencies, while unlikely to be fatal to democracy, will necessarily define the boundaries and the consequences of political competition for many years to come”⁴.

Speaking of a democracy without democrats, this mainly concerns a political culture that builds on confrontation. Here, we emphasize the importance of informality within political cultures of Eastern Europe. Informality, we argue, goes hand in hand with corruption and clientelism. Surveys in different new democracies show alarming figures with regard to corruption.⁵ Where informality is connected to corruption, countries such as Bulgaria and Romania are confronted with what Thomas Carothers called the syndrome of feckless pluralism. In those countries, despite the existence of electoral democracies, “political elites from all the major parties or groupings are widely perceived as corrupt, self-interested, and ineffective.”⁶ Feckless pluralism goes together with the absence of responsiveness and accountability on the side of political decision makers. Such observations are consistent with studies on the gap between the informal values that guide the behaviour of political elites and the principles that guide formal democratic institutions.⁷

¹ According to the Freedom House findings for 2008, democracy scores have declined for seven out of ten new EU members. Eight of the new EU member states are consolidated democracies, while Romania remained a semi-consolidated democracy and Bulgaria was downgraded to that status, largely due to its struggle with corruption. (<http://www.freedomhouse.org/uploads/nit/2009/Overview-WEB.pdf>) (accessed 10 June 2010).

² Pehe, 2009.

³ Bozoki and Simon, 2005, 186.

⁴ Bunce, 2008, 52 ff.

⁵ See the Corruption Perceptions Index of Transparency International, www.transparency.org/cpi.

⁶ Carothers, 2002, 10.

⁷ Gallina, 2008.

If the lack of democrats seems to be a common syndrome for many countries in Central and Eastern Europe, it also has common aspects. Among them are institutional aspects, such as the weakness of political parties and civil society, but also the absence of conflict management. Actor-based aspects are a widespread citizens' distrust of politics, elite nationalism and populism, political elite (self-)isolation in a kind of hour-glass society and (systemic) corruption.

All these aspects point to the importance of the distinction of formality and informality. These aspects also reveal different ways the relationship between formality and informality is handled in specific countries, in specific power configurations. Informal relations as such may be functional for institutions in the sense that they complement them or that they compensate weak institutions. Informality is the inevitable correlate of formal structures. There may be legal or illegal informal relations.⁸ However, the problem is the instrumentalization of formal organizations by informal networks, and the use of informal power. In that sense this paper holds that the negative aspects prevail, and that there is too much informality in Eastern Europe.

This chapter focuses on the rather ignored aspect of informal power as an aspect of political elite culture. Analyses of Eastern European political elite cultures are not widespread in political system analysis and in the analysis of political system transformations. It highlights some aspects of Eastern European political elite culture, and argues that informal networks are an important part of it. Ultimately, it poses the question if different governance forms realized within Eastern European political systems are tied to the mentalities of the very political actors.

The paper shows that on a governing level, mentalities in the form of informal acting are tied to political elite culture of certain countries, or regions. And if political actors haven't adapted to democratic structures, maybe the transformation of Eastern Europe has possibly excluded political culture aspects. In this sense, the paper presents selected, representative cases of Eastern European countries in order to find out similar patterns and to propose generalizations considering political elite cultures. The underneath short case studies focus on the question which actors (or political elites groups) are important in generating informality, and which areas have been exposed or taken over by informality (for the examples of the justice and energy sector). In this sense, the paper shows where informal structures provoke the weakening of legal and political institutions in Eastern Europe, and lead to a situation where informal power networks control formal institutions. Additionally, the paper proposes some reasons why informality is preferred over formal regulations.

The Importance of Informality

In some Eastern European countries, formal rules are similar to a smoke-screen behind which informality reigns.⁹ Democratic norms (and moral categories) do not serve to constrain political actors, but are rather employed as political instruments, such as no-confidence voting. Formal democratic institutions are considered as weak, and the presence of informal institutions compensates for perceived weaknesses (although real formal weaknesses might not be compensated by informal regulation as informal compensation of formal weaknesses of Eastern European party systems prove). The domination of informal institutions over formal ones might be the case because old norms are difficult to remove. Informal instruments might remain functional because they serve important interests or are more practicable for political actors.

⁸ See Meyer et al., 2008; Misztal, 2000.

⁹ This phenomenon is also known from Southern Europe, where formal rules often serve as a façade (for example in Greece, Italy, Portugal or Spain).

However, the struggle of formal rules with informal provisions might violate constitutional principles, as the case of Russia demonstrates. Here, informal, undemocratic rules prevail over formal democratic regulations. In more advanced countries, it is possible to observe more subtle forms of internal conflicts between informal and formal rules. For this paper it is of relevance, that informality is both informal institutions and informal instruments that might be applied selectively to reach certain goals. We do not use informality in the strict sense of informal institutions which enables a broad view on informal practices in Eastern European countries. In this sense, the paper will first outline the importance of informality in Eastern Europe.

The relationship between formal institutions and informal politics in Eastern Europe has not been analyzed in a conceptual sense for single Eastern European countries. Meyer et al.¹⁰ consider how informal practices influence political power and focus on the description of informal and formal patterns. They argue that most studies on Eastern Europe do not pay attention to the informal mechanism of rule, or they take a look at single aspects of informal politics (corruption, clientelism etc.). On a case study basis, Meyer et al. have highlighted informal politics, but not systematized informal instruments. Lauth¹¹ has presented different types of informal institutions, of which clientelism (the personal aspect) and corruption (the material aspect) will be treated here. In our context informal structures are both clientelism combined with corruptive instruments, and both go hand in hand in Eastern Europe.

Helmke et al.¹² present a typology of informal institutions. The first two options are that informal institutions co-exist with formal institutions, or informal rules modify the effects of formal rules – those are common cases in functioning democracies. However, for our purpose, the other two options proposed by Helmke et al. are of more relevance: informal institutions that compete with or substitute formal institutions. The formal institutional change in Eastern Europe has provoked a situation in which formal rules have not achieved the strength to face informal institutions, and have to face competing and substituting informal institutions. Besides, we emphasize the impact of political culture: This paper sees informal structures as an inherent part of Eastern European political cultures which are difficult to change as the twenty year experience with political elite conduct within democratic regimes in East Central Europe proves. On those grounds, we propose that patterns of non-democratic elite conduct are part of a common political culture throughout the region and political actors are guided by informal patterns that are not controlled by firm democratic institutions.

On a more general scale, this paper holds that informality is still a crucial power mechanism in Eastern Europe applied by the vast majority of political elites. In the context of Eastern European politics, informality is not an instrument that backs democratic structures. On the contrary, informality is negative. It is used as a political instrument that drives the respective political actors further away from democracy. First, on the level of behavior: conduct that is not formally constrained supports corruption/ clientelism (the most corrupt populations are the less democratic). Second, on the level of structure: informal structures are more flexible than formal ones, informal structures change and adapt more rapidly to changing needs of political elites, and therefore undermine formal democratic instruments.

Those thoughts give way to the question how informality structures itself, i.e. what kind of informal power networks can be identified in Eastern European political systems, and how

¹⁰ Meyer et al., 2008.

¹¹ See Lauth, 2000.

¹² See Helmke et al., 2004.

those networks operate and integrate within the respective political systems. The task here is to identify different degrees of informality, namely structures of power networks in Eastern Europe, and to place them in relation to the formal institutional framework. Russia and Eastern Germany might be considered the extreme poles of a spectrum reaching from systems where power networks are system inherent, i.e. the networks build the system – and systems where power networks are forced to work within the political system and are controlled by democratic provisions. The former would be highly corruptive authoritarian regimes (and autocracy would function with autocrats), the latter democracies (where democracy functions with democrats).

As a rule, in liberal democratic countries, political elites respect formal democratic rules and their power networks generally seek not to outweigh democratic provisions. Moreover, power is normally constrained by the normative weight of the rule of law based institutions. In authoritarian regimes, elites have set up their own, informal arrangements, that follow a top-down scheme in which the boss knows and decides everything, knowledge and personal relations are used as power instruments, and the formal institutions set up accordingly. In between are regimes that have set up formal democracies, but the power networks only formally function democratically. In the context of a democratic political framework, an aspect might be that informal networks tend to build up parallel structures to democratic political institutions. Another aspect is that informal networks might favor certain (non-democratic) behavior patterns, such as corruption. Here, political power networks tend to function in a parallel way to democratic structures. Those regimes can be described through a significant gap between elites and the institutions they are functioning within, because both actors and structures follow different rules.

On those grounds we try to provide a comparative analysis of the extent of informal practices in selected Eastern European political systems. This paper looks at different Eastern European countries and the relevance of informal structures in selected areas, and tries to assess them globally in terms of informal power inclusion or exclusion in regard to formal democratic structures.¹³ Additionally, the paper offers a first grouping of Eastern European countries according to their degree of informality.

Case Studies

Based on the above considerations the paper is presenting selected, representative cases of Eastern European countries in order to find out patterns of informality. The two focus aspects are: First, the actors of importance to generate informality, or (social) groups that participate in the informality game.¹⁴ The second focus is on the areas/institutions influenced by informal instruments. For a start we focus on the justice and media sectors as an example of independent democratic institution that are influenced (i.e. ignored) by informal networks/instruments. Exemplarily, we could also point to the energy sector that opens up another perspective: Here formal institutions are instrumentalized by informal means as the examples of Russia and the Czech Republic will show. In politically relevant sectors, informal practices might outweigh formally established regulation. Thus, informality has two dimensions: the personalized dimension of political actors, for example political elite groups, and specific areas that face pressure from informal provisions.

¹³ Applying the categories of Helmke/Levitsky, we do not concentrate on substitutive informal institutions, but on competing informal institutions. In such cases, formal rules are not systematically enforced (or might be also weak), which enables actors to violate them. Formal rules might also be designed weakly on purpose in order to violate them using informal institutions.

¹⁴ Interestingly, most studies of informality leave out the actor dimension; e.g. Meyer et al. (2008) highlight the personalization of politics, but do not explicitly analyze the political elite dimension of informality.

The example of Russia

Who is included into the informal sphere? Regarding Russia, we can observe a deep division between the “rulers” and the rest of society. In this sense, the ones on the top decide on the degree of informality and its instruments. The political regime mainly suits the interests of small and powerful ruling elite groups. The rulers guarantee stability through a strong executive power that can maintain control over distrusted political parties, the parliament, and other institutions of the Russian political system. The ruling elites have monopolized the access to power positions, and through bureaucratic institutions built up a discursive and organisational defence system which is highly intransparent for outsiders. In this sense, the informal sphere regards everybody who has to deal with the state and its representatives.¹⁵

The informal ruling groups are not affected by elections. The power of the rulers is not based on change through elections, but on cryptic succession rules. Consequently, in Russia, informality and personalism are a substantial part of the political system. The supreme power, the “Kremlin”, bases its power on a continuous balancing of interests among rivalling factions and groups in the bureaucracy, and is held together by personalized power structure and its networks at the top of the hierarchy. Formal, and even good, rules have been established. The Russian bureaucracy for example is an administrative apparatus that is built on many rules. However, often the rules are only established to be outweighed by informal agreements, or to be ignored (for example tax regulations). In all important policy areas formal regulations exist, but their application runs counter to the requirements of informality, and can often not or not satisfactorily be ensured.

In Russia, we could argue that informality is the very feature of the political system. Informality is an instrument of power to separate “the state” (=the rulers) from the rest of society, and to control society. The power system established by Vladimir Putin aims at controlling society, and all the independent agencies that might emerge, i.e. the media, the economy. Democratic institutions, such as courts or the state administration, have been instrumentalized for a control function and use formal and informal resources to achieve this task.

An example for an informal elite grouping would be representatives of the security forces who dominate companies of strategic interest. It is namely on the energy industry level that an observer gets the impression that Russia functions like a big bureaucratic corporation, “Russia inc.”, which combines highly personalized leadership structures with organizational power and networks of power (friends, loyalties, clients). That means that the regime controls key industries and aspects of the functional systems through organizations and highly personalized networks. And beyond a certain size every (private) organization becomes a risk for the regime – consider the case of Mikhail Khodorkovsky who was a key player in the private energy area. When he became too strong he and his enterprise were “liquidated” for the advantage of state energy enterprises in particular and state power in general.¹⁶

The example of Russia teaches us much about the nature of informal power structures: Such structures are based on organisation and networks that exploit functional differentiation through their personalized networks: having friends at the right positions can be helpful and

¹⁵ See Hayoz, 2009.

¹⁶ The policy area of industry/energy could be a show case for the importance of informal power structures in Russia and the informal character of the Russian system. See Pleines (2005). On the Khodorkovsky case see <http://www.khodorkovskycenter.com/> (accessed 20 August 2010).

even indispensable if you want “to get things done”.¹⁷ Old-new distinctions such as friends and enemies or loyal and disloyal are concealing the established differences of the functional systems, for example the distinction legal/illegal. However, such informal distinctions can be handled in an opportunistic manner in the absence of a rule-of-state based state. If the spheres of informality cover the whole public sphere/state, it is clear that corruption as the inherent instrument of informality has to be high. Indeed, corruption in Russia is among the worst in Eastern Europe. This is also due to the fact that the stability of the Russian regime is guaranteed by a combination of repression and accommodation of different groups and their interests through rent distribution (as power is continuously challenged by rival networks and conflicts between them).

In the light of lacking funding and political pressure, the independence of justice seems to be far away. Political elites combine executive power with a direct or indirect influence on judicial decisions and regulation concerning their interest in business. The justice is under control of the country’s ruling elite and serves their interests. Many citizens do not trust Russian courts and appeal to the European Court of Human Rights (ECHR) to obtain justice.¹⁸

The media are mostly under „informal control“, such as the judicial sector. The state maintains extensive control over television, radio, and important newspapers. State media ideally reflect government positions, and private media represent the political business interests of their investors. In general, the connection between the media and government remains tight in Russia, independent sources often are „subject to specious audits, complicated legal battles, and even beatings and arrests“.¹⁹

In sum, in Russia, the informal sphere seems to form a layer over formal regulations. What is interesting in the case of Russia, where “informality” reigns, is that agencies which do not build on informality, but on the rule of law, can hardly exist – such as critical media, human rights organizations, private corporations and so on.²⁰

The Examples of Romania and Bulgaria

This chapter regards two new member states of the European Union that have committed themselves to democracy in the light of informal groupings and our sectors of interest (media, justice). Here, we find a lot of information that could support the hypothesis of the relevance of informal power, and that those countries base their political system on a strong informality pillar. Namely, in Bulgaria and Romania political (party) elite groups are often connected to organized crime or business interest groups. Beyond those personalized connections that have the goal of financial (and power) gains, it is of interest to ask how those networks affect independent and control institutions so important for democracy.

The picture is mixed for both Bulgaria and Romania in our spheres of interest (media and justice): In Bulgaria, it is uncertain that media are truly free from the influence of political and

¹⁷ It can be easily seen that such friendships are instrumental or utilitarian, particularly among the ruling elites in transition and/or quasi-authoritarian regimes in Eastern Europe.

¹⁸ The number of appeals of Russian citizens before the ECHR is maybe the most revealing indicator for the quality, and degree of informality, of the Russian justice system: about one third of the cases concerns Russia. <http://www.echr.coe.int/ECHR/EN/Header/Pending+Cases/Pending+cases/Calendar+of+scheduled+hearings/> (accessed 10 May 2010).

¹⁹ See the Nations in Transit Reports on Russia. For example <http://www.freedomhouse.org/template.cfm?page=47&nit=266&year=2003>, and subsequent reports (accessed 10 June 2010).

²⁰ For comparison see the article of Lilia Shevtsova „Imitation Russia“ available at <http://www.the-american-interest.com/article.cfm?piece=186> (accessed 5 July 2010).

economic power groupings and guided by the public interest. An example was the head of the state Bulgarian News Agency (BTA), who was dismissed by the parliamentary majority for „lack of political confidence“. Also, the introduction of new media bills to secure narrow political interests has caused turmoil. According to several international organizations monitoring media development and performance, Bulgarian media are not fully independent from direct economic and indirect political interests. An alarming trend has developed of law enforcement agencies interfering in media independence, and cases of violence against journalists. A revealing example has been the acting of the State Agency for National Security (SANS) in August 2008 when it shut down the Internet news portal, Dangerous News, which contained information about alleged relations between SANS and individuals linked to organized crime.²¹

The general image of the Bulgarian judiciary is as being corrupt. Courts fail to dispense justice fairly and in a timely and consistent manner, and are supposed to be politicised and infiltrated by organized crime.²² This is partly due to the lack of funding – despite claims on the part of the legislature and the executive power that the judicial system is a priority, requests for additional funding have been routinely ignored. Another issue is the politicization and instrumentalization of the judiciary, mainly through dubious roles played by the prosecutor general. From the judicial system itself comes little commitment to change and reform, in contrary, opposition against reform is strong from within the system.²³

In 2002, the Romanian defense minister stated that journalists „ought to be careful, life is precious and easily lost.“ In this sense, Romanian governments have made attempts to restrict press freedom by proposing restrictive legislation regarding the right of individuals to reply to information presented about them and the presentation of state secrets in the press, or have dismissed critical personnel of state media. Additionally, there have been controversial initiatives on regulating journalistic activities and the interference of business interests into the media. The executive power has been regularly involved in judicial affairs which have not yet been substantially reduced. As in Bulgaria, the role of the general prosecutor remains dubious. The Open Society Institute stated that the Ministry of Justice continues to have „a useless and centralized authority over the courts, intervening in the selection, promotion, and assessment of judges’ performance, a problem arising from possible political interference.“ As a rule, governing parties have given instructions on how to handle with dismissals and appointments in the judicial system. In general, formal rules are ignored.²⁴

In Romania, important actors supporting informality are the old security services (Securitate) that have partly succeeded in undermining the executive level of the state. In this sense, old power networks dominate political (and economic) life in Romania. The outcome of the dominance of elite groups that are highly based on the “ideology” of informality is that

²¹ See also the IREX-report on Bulgaria: http://www.irex.org/programs/MSI_EUR/2010/EE_MSI_2010_Bulgaria.pdf (accessed 25 July 2010).

²² <http://www.dw-world.de/dw/article/0,,5891499,00.html> (accessed 30 August 2010).

²³ See for example http://webcache.googleusercontent.com/search?q=cache:ZItVFfEUEgMJ:sofiaecho.com/2010/04/02/881907_radical-justice+bulgaria+judiciary+prosecutor+general&cd=7&hl=de&ct=clnk&gl=ch (accessed 30 September 2010).

²⁴ Citation in Freedom House <http://www.freedomhouse.org/template.cfm?page=47&nit=260&year=2003> (accessed 10 June 2010). For the media and justice information see also <http://www.freedomhouse.org/uploads/nit/2009/Bulgaria-final1.pdf>, and also <http://www.freedomhouse.org/uploads/nit/2009/Romania-final.pdf> (accessed 20 May 2010).

In his contribution for the Swiss daily NZZ: Ion Viona argues that twenty years after the collapse of the old regime, the state remains unreformed. In particular the rule of law does not function (Ion Viona: “Von der Tyrannie zur Oligarchie”, NZZ, 10 February 2010).

democracy has been perverted by the old communist nomenklatura. According to analysts, the Romanian “informality cluster” consists of Securitate, secret police, and communist party members which historically have often been the same. This means, that there are quasi no spheres where elites or ordinary citizens can rely on formal regulations. But for the examples of Romania and Bulgaria, this means also that the frontiers of formal and informal are blurred, i.e. democratic instruments or democratic institutions are used and instrumentalized to combat “enemies” and to generate distrust. Overall, illiberal practices seem to endure with a democratic polity.

The Czech Republic and Poland

In the Czech Republic, investigative media regularly point at problems with informal regulations in almost all state sectors, including the executive sphere, and pressure on independent and control agencies. State media have been plagued by political problems, and do not pressure sufficiently to combat informal regulations. One important sphere of informal regulation is the justice sector and the role of the justice ministry and the general prosecutor. Here, the link between the governing, judges, responsible for anti-corruption regulation and their execution has been especially important in impeding the serious independence of investigation.²⁵ Similarly, in Poland, public media are politicized, and investigative media have had the problem that the problems they point at are not seriously solved. The justice ministry and the general prosecutor have not been free from suspicion, i.e. informal influence impeded prosecution, led to bad law (delay of investigations etc.) and corruption. In particular the justice branch has been exposed to informal agreements, and influences from politically-induced power networks. For example, in Poland, the secret service UOP has tried to obstruct lustration and judicial prosecution of the past, has leaked secret information concerning prime ministers and high officials to obstruct prosecutions.²⁶

A more general picture of the importance of informality would be that in both countries power networks include political elites, and other individuals who influence or attempt to influence the political power sphere. Those networks center around political parties and their affiliates in the economic and financial sphere. In general, informality is contained by formal state structures. This means that formal regulations largely dominate the establishment of governments, and state development.²⁷

The examples of the Czech Republic and Poland demonstrate that informal provisions can be strong in areas where high financial compensations can be assumed (tenders, privatizations etc.). This also includes state monopolies that are tied to the political sphere or are state-owned, such as the Czech energy conglomerate CEZ.²⁸ Informal provisions are also strong in sectors with high political impact, i.e. institutions that could neutralize informal power through formal provisions, such as anti-corruption or lustration agencies.

Those characteristics might be also found in other East Central European countries. Such countries contain informal power under “normal” circumstances by formal provisions. Polish institutions, in principle, respect the same formal rules as their Western counterparts. However,

²⁵ See the website www.bezkorupce.cz for examples (accessed 15 July 2010).

²⁶ Zybortowicz et al., 2000.

²⁷ Gallina, 2008.

²⁸ In the Czech Republic, the energy sector has been characterized by high informality including political clientelism and corruptive practices. Recently, Karel Schwarzenberg, the foreign minister of Czech Republic, stated that the Czech energy giant CEZ bought the republic (*Radio Prague*, 20 July 2010). The example of the Czech Republic shows that the political sphere failed to control the energy-power complex. Instead, the energy-power complex has succeeded in controlling politics.

the practice exceeds these standards.²⁹ For example, if extraordinary gains in power or finance can be expected, informal power mechanisms have to be taken serious. Some authors, such as Zybertowicz et al.³⁰ argue that the communist secret service officials are still present and influential in politics. On the one hand, communist authorities exchanged their political monopoly for the control of economic resources. On the other hand, the structures of the secret service did not dissolve and some parts of it were successfully integrated /involved in the new democratic institutions which brought “informality” potential into the new democracies. The difference to Russia or Romania is that political opposition, critical media and individuals are active and can be mobilized against informal power structures, or intransparent decisions.³¹

For the analysis of Eastern European informality/power networks we propose to differentiate between different degrees of informality. We have started with the example of Russia in order to describe a model case of informality, in which informality affects the whole state. Such a state cannot be democratic, but is rather personalized and autocratic. In Bulgaria and Romania, the façade of formal rules is valid, but looking beyond it, we can get another, more “informal” picture with most elite groups and state sectors affected by informality. In Poland and the Czech Republic the “informality” situation seems to be better, concerning single persons and selected sectors. Building on the above case studies and insights we propose the following table to systematize the differences of informal power in Eastern Europe:³²

Country	Informality	Control Agencies / Policy Sectors influenced by	Corruption in general (CPI) ³³	Assessment of the political regime
Russia	All sectors / state agencies have to subdue under the informality-requirement	“Kremlin inc.” networks of power =state; personification with the state	Highest	Not democratic, informality is a ruling / power principle, highly informal state and society.
Bulgaria	Most sectors / agents are affected by informality	Elite Groups	High	Formally democratic, the façade that formality rules is maintained, but informality prevails in most sectors, and affects most actors
Romania	Most sectors/agents are affected	Elite Groups	High	
Poland	Democratic/independent sectors affected	Some groups, single actors	Considerable	Democratic – struggle between informality and formality, in certain sectors, concerning some actors
Czech Republic	Democratic/independent sectors affected	Some groups, single actors	Considerable	

²⁹ Wołek, 2004.

³⁰ Zybertowicz et al., 2000.

³¹ For example, they have succeeded in achieving decisions/legislation for the environmental sphere – what has been very difficult in Romania or Bulgaria, and nearly impossible in Russia which was proved by the recent example of the motorway construction through the Chimki forest.

³² Compare with Hayoz, 2010, 77. Here, the category of informality is added to conflict (management) / the degree of cooperation and clientelism / links with organized crime. Informality means a cooperation under conditions of distrust, and results in conflictive and clientelistic relations.

³³ As a rule, the sectors in which informality prevails are affected most by corruption.

Models of Political Power Networks

From the above table that list factors supporting informality, and informal power centres, we now dare to propose models of political power networks. We have in mind that even if it is possible to identify common factors of informality, the situation is different from country to country. Nevertheless, we present three models of political power networks in Eastern Europe that are based on the above cases studies.

The case of Russia is an example of strong political power networks that determine political structures (authoritarian political culture)

The cases of Romania and Bulgaria as an example for strong political networks that instrumentalize weak democratic structures, also supporting a top-down political culture (subversive political culture)

The cases of the Czech Republic and Poland as examples for political networks that function within a democratic system, and periodically overweigh democratic structures, and then again might be controlled by democratic structures; they might also overweigh democratic structures in some areas. Here, political cultures might also include elements that are compatible with a democratic system (e.g. certain openness toward the media and other independent structures) (informal political culture)

Generalizing those results, the paper proposes three models that go hand in hand with political structures, and focus on the aspect of: who builds those structures, and which areas are critical:

The authoritarian-bureaucratic model: The first power network model goes hand in hand with authoritarian power structures, and a powerful state. It is based on top-down hierarchies that largely have silenced rule of law, and is highly personalized. The persons in power rely on highly personalized relations, including important power bases (that might vary from country to country). Russia would be an example here, and power would be based on the inclusion of all important power bases in the country (military, business, church, energy). The paper has shown this inclusion rudimentary for the media and justice sector. How this inclusion looks like in detail and for other sectors will be worth while to be examined in future projects. In general, inclusion prevents the build-up of concurrent structures, and allows for an overall control, and instrumentalization of those structures. But this also provokes a sharp line between the powerless inhabitants of the country, and the persons that have relations with the powerful or do have power positions. To conceal this gap between the powerless and the powerful, emotions play a big role (i.e. the creation of external enemies, the evocation of a powerful nation etc.). This model applies for most of the non-democratic (or authoritarian states in the world). For example, Ukraine is turning toward this model after being attached to the underneath model:

The weak state-organized crime model:

In the second model, state structures cannot be considered fully consolidated (grey zone democracies, defect democracies). Here, power networks, and the persons in power, build their strength not explicitly on the strength and the inclusion (and monetary/power participation) of the bureaucracy. Instead “outer” structures are relied on to “strengthen” the state, mostly organized crime structures, but also old elite networks that create subversive institutions. In

Romania it would be the integration of old security service structures into the state to generate power, in Bulgaria and other Balkan countries (Montenegro, Serbia, Croatia, Macedonia, Kosovo) it would be the integration of organized crime structures into power networks. As those structures have considerable power resources (money, arms etc.) they largely succeed to instrumentalize state structures and also power networks. For democratic independent and control structures, such as the media and the justice sector this means subordination under informal rules in order to function without harassment. This system is highly personalized and informal in nature, and seeks to include its influence on policy sectors of relevance.

The struggling state vs. power network model:

In this third model, formal state structures are placed above power networks in principle. Even if they are challenged by informal power structures, such states can be considered as consolidated democracies. This model largely concerns recently democratized countries. Generally, power networks adhere to the picture of a functioning democracy and stick to formal provisions; but in a considerable amount of cases those networks try to outweigh formal institutions (for example the application of lustration laws, anti-corruption measures, tenders, privatization etc.). Power relations are personalized, but there might be a development to depersonalized structures in some areas that are not connected to strongly to power relations and money (social regulations are an example here, where the gap between society and the power sphere is much smaller than in the two above models). Strong power bases (church, military or business, energy) are only periodically/temporarily included into power networks, and sort of instrumentalized. Those states risk losing democratic quality. For example, with the instrumentalization of the justice branch by political elites, or the restriction of the media legislation.

What those models have in common is that society is largely left out of the power sphere; and the power sphere compensates for that by trying to create a sentiment of unity, i.e. drawing borders between “us” and “the other” (and to generate necessity for their rule). Such politics is made easier by the fact that some of those societies are post-totalitarian or war-torn where strong emotions against certain social and ethnic groups prevail. The considerable gap between power and society thus has to be compensated for and is compensated by nationalist politics.

Conclusion

In sum, most Eastern European countries are formally democratic, but looking behind formal settings we realize that political actors follow different rules, and that power networks are not compatible with the formal democratic framework in some areas. The strongest networks of the past are dedicated to getting around regulations in order to serve their members interests. They can change their face from informal institutions to informal instruments, or just erratic acts. Such a situation would describe the state of democracy of, for example, East Central European countries and countries such as Romania, Bulgaria or Ukraine.

Twenty years after the fall of the Berlin Wall, there is no Eastern European country that has adapted to a democratic political culture (some “Western” countries such as Italy, Greece, Spain, Portugal tend to fall in the third model of the struggling state vs. power network and in this sense could be compared to our Eastern European cases). We have proposed three models that concentrate on the informality aspect and political power networks. The challenge of the proposed analytical framework remains the systematization of power networks and informal structures in general, the extension and specification of research.

Yet, there is a fourth model that has been realized in some Western European countries. This fourth model focuses on a strong state that controls power networks. Here, formal structures are placed above power networks, and networks largely function within those structures (with temporary exceptions of course). Switzerland would be an example for a culture of compromise and control of political networks model.³⁴

The modern state highly relies on the institutionalization and the depersonalization of power structures. In post-1989 East European countries, this seems to be a major problem. Institutions such as courts or independent agencies (anti-corruption forces for example) have not been institutionalized and their independent power has not been accepted. Instead, power is connected to highly personalized and politicized (often political party/business) structures. This paper considers this factor a main reason for the setbacks in democratic quality in Eastern Europe, namely among the new Eastern EU member states. In this respect, the important influence of political power networks on democratic quality has been underestimated.

We conclude from our analysis that political networks have not supported a democratic political culture and accepted formal institutional structures and rules as superior to their needs. Instead, informal codes dominate political relations and stand diametrically to (democratic) institutions. In such way, the personal needs of the single members of political power networks have manipulated the state and its institutions to their favor. The instrumentalization of democratic institutions has been obvious in Russia or Romania, and has also occurred in a more subtle way in the Czech Republic and Poland, and similar countries. Overall, this attitude has blocked social, economic, and political development. It has generated high corruption rates, and led to a disillusion of ordinary citizens.

More generally, the informality problem in Eastern Europe can be described as the blurring of certain dimensions: public/private (e.g. the privatization of the state), the blurring of proximity/distance; friends/enemies categories (personalized trust vs. generalized trust). The parallelization of the above dimensions has not been achieved: formal democratic structures with a depersonalized bureaucracy that function according to formal rules, and political actors that first accept a formalized conduct when inter-acting with such structures, and secondly subdue the necessary informal bargaining that goes hand in hand with politics and democratic systems based on political parties under the requirements of a formal democratic system (and most importantly accept rule of law, the independence of the judiciary, media, civil society).

To date, personal and private intervenes into structures that should be depersonalized and public, and generates the necessary trust that is the prerequisite for cooperation. But rather, cooperation is based on distrust. If distrust characterizes the nature of political elite relations and the respective power networks, this has also an influence on the interaction with institutions. Here, regime type, corruption, and networks of power and (dis)trust are closely related. If informality in Eastern Europe is essentially cooperation based on mutual distrust, the consequences are intransparency/clientelism, corruption and defect regimes. In the cases of East Central Europe, the coexistence of cooperative democratic structures with informality means networks of power that dominate single policy areas.

Democratic cultures would include the readiness for cooperation, and the functioning according to a workable opposition-government scheme, the horizontalization of political relations, the acceptance of election results and election winners as legitimate rulers. Comparing the aspects

³⁴ But also the model of Switzerland shows that power networks might be stronger than formal regulations and the strive for democratic decisions. Examples have been the recent political decisions in the context of the economic/banking crisis, or the distribution of government posts in the Swiss government in September 2010.

that are necessary for a democratic political culture with the above aspects, it quickly becomes clear that important elements are missing in Eastern Europe. Democracy is connected to interference and the instability of power (being under constant threat from society). And the direction might change toward more authoritarian systems, as the strength of political power networks could undermine democratic political systems as a whole. In the last years, in fact, the direction has been to less democratic systems. This fact has been underlined by recent democracy rankings.³⁵

³⁵ Freedom in the World 2010, <http://www.freedomhouse.org/template.cfm?page=505> (accessed 15 February 2010), and Economist Intelligence Unit, <http://www.eiu.com/index.asp?rf=0> (accessed 15 February 2010).

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