From Satisfaction to Support

A quantitative comparative study of attitudes towards democracy in Latin America

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Master thesis
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Abstract

Public support is essential for the survival of a democratic regime. While support for democracy indicates the extent to which democratic rule is massively accepted, satisfaction with democracy evaluates the performance of the democratic regime. Even though the citizens' satisfaction with democracy is increasing in Latin America, there are still many dissatisfied democrats in the region. If dissatisfaction with the democratic regime corrode the regime support, this can be crucial for the legitimacy, and thus the survival of democracy. Using survey data from 18 Latin American countries combined with contextual information, this thesis finds that trust in democratic institutions and perception of economic situation have the strongest positive effects on citizens' satisfaction with democracy in Latin America. This is consistent with the results from previous research on satisfaction with democracy in Europe. In addition, this thesis reveals that the attitudes towards democracy in Latin America are also affected by the 'political culture' in the region. Societal problems such as corruption and economic inequality have an impact on citizens' satisfaction with democracy.

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1 Introduction

During the last few years, several of the Latin American countries have celebrated the bicentenary of their independence. More than 200 years of political jumble has ended in a democratic wave over the region. Entering into the twenty-tens, Latin American citizens' overall satisfaction with democracy is higher than it has been in years.

The last century, Latin America has been struggling back and forth between autocracy—military junta or dictatorship—and democracy. It has been argued that democratic breakdown is no longer an impending threat in Latin America (Schneider 2008:1). The democratically elected governments can now "focus on solving social and economical problems rather than being busy trying to keep the military in the barracks" (ibid.). Others have argued that the democratic transitional process in the world has come to a halt, and have predicted that a 'reverse wave' of democracy might be underway (Diamond, 2008).

To see if the old alternatives to democracy in the Latin American region are permanently replaced or just *in abeyance* (Whitehead 1992:148), it is necessary to investigate the attitudes towards democracy of the citizens of Latin America. Most research on how popular adherence to democracy is sustained is based on countries or regions in the world with long democratic traditions. This thesis seeks to contribute to the existing literature by identifying trends and tendencies that can explain attitudes towards democracy in a developing part of the world. More specifically, this thesis asks *which factors influence satisfaction with democracy in Latin America*. No country or continent can be studied and understood in isolation from other parts of the world. To answer the research question, I will therefore use results from former studies on satisfaction with democracy in Europe. A cross-regional comparison can reveal if certain factors are universally predominant. Because of different democratic experiences in the two regions, I do expect there to be certain region-specific factors as well.

This introduction gives a brief overview of the democratization process in Latin America. I will discuss different scholars understanding of how 'satisfaction with democracy' is used as a question in opinion surveys, and clarify the overlap and the differences between the two concepts: *Satisfaction with* democracy and *support for* democracy. Previous research will be reviewed in the introduction. Chapter two presents a long-term perspective on satisfaction with democracy in Latin America. Socio-economic and political experiences will be used as a backdrop in formulating the hypotheses. Chapter three presents the data used in this thesis and

the method applied to solve the research question. Further, a discussion of the advantages and challenges to quantitative research in general, and the multilevel model in particular will follow. The key variables will also be operationalized in chapter three. In chapter four the results from the multilevel analysis will be presented and interpreted. The analysis will also be performed by using a standard Ordinary Least Squares (OLS) regression in order to see the advantages and disadvantages of the two methodological approaches in regards to my investigation. Finally the findings will be summed up with suggestions for further research in the concluding remarks of chapter five.

1.1 Democracy as the golden standard

Democracy, even with its flaws and differences, is considered the most fair and justifiable regime in the world today. Democracy has complex demands (Sen 1999:9). Voting and respect for election results is essential, but it also requires the protection of liberties and freedoms, respect for legal entitlements, and the guaranteeing of free discussion and uncensored mass media (Sen 1999:10). "For many in the West at least, democracy and democratic values are not only key indicators of political legitimacy but also primary mediators of meaning. That is to say, the values, principles and experience of democracy profoundly shape both the perception and judgment of action in the political world" (MacMillan 2005:2).

The transition to democracy began relatively late in many of the Latin American countries. The democratization process in the world has been divided into three 'waves' (Huntington, 1991), where several of the Latin American countries are categorized as *third wave democracies*¹. The democratization of these countries occurred between 1974 and 1990. The *third wave democracies* have in some cases resulted in fragile democracies. This implies that there are certain components which would be present in more advanced liberal democracies that are absent in the Latin American democracies (Calleros 2009:1). These components are typically the division of powers and a system of checks and balances, transparency in political and economic processes and a minimum of social welfare. I will come back to these components in the discussion of regional experiences in the next chapter.

¹ These countries are the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama. The second wave democracies in Latin America—Bolivia, Brazil, Ecuador and Peru—experienced a 'second reverse' and therefore fall into the category of third wave democracies as well (for an elaboration of the democratization development, see "The Third Wave" by Huntington, 1991).

It has been argued that the presidential system of Latin America is less democratic than a parliamentarian system, or that this system is partly what hinders the components mentioned above to be established². In several Latin American countries, the desirability of presidentialism was the subject of intense political debate for some decades³. The critics pointed at the dominance of the presidents, particularly combined with the ineffectual system of checks and balances in the region (ibid.). The presidential systems are often treated as homogenous systems, which is an unfortunate generalization (Mainwaring and Shugart 2002:20). The presidential regime of countries with longer democratic experiences in the region (i.e. Uruguay and Chile) is often left out when discussing the negative impact of such regimes. Anyhow, in presidential systems, the presidents *do* have the absolute control of the executive power for a set period of time (Mainwarning 1990:165).

Since the 1980s, the debate has evolved around whether or not the presidential system were responsible for the breakdown of democracies in the past (Mainwaring and Shugart 2002:12)⁴. The democratic breakdown was blamed on the presidential system partly because in such a system, there were barely any existing mechanisms for replacing a president who had lost the popularity in the society and support in the legislature. "The president may be incapable of pursuing a coherent course of action because of congressional opposition, but no other actor can resolve the problem within the democratic rules of the game. Consequently (in many cases), a coup appears to be the only means of getting rid of an incompetent or unpopular president" (Mainwarning 1990:165).

Political scientist Juan Linz, who launched the debate in 1984, supported the argument that the presidential system is not favorable in creating stable democracies (Linz, 1994). This was partly because in a presidential system "the winner takes it all" (ibid.).

-

² The most striking difference between the two systems is how the chief executive is elected. In a presidential system, the president is both chief executive *and* head of state, elected independently of the legislature. In a parliamentarian system the chief executive or the prime minister is not chosen by the people, but by the legislature.

³ Latin American scholars were more concerned with the political institutions in the 1940s and 1950s than in the subsequent decades, until the 1980s (Mainwarning 1990:159).

⁴ This was the first time in decades in which a discussion took place as to whether a parliamentary system should replace the presidential system. In the end of the 1980s- beginning of 1990s, there was an attempt to establish semi-presidential systems in Brazil, Argentina, Colombia, Chile and Bolivia. Even if the replacement of systems was suggested by the congresses of the countries, the presidential system was preferred in all the countries mentioned when it came time to decide (Mainwaring and Shugart 2002:12-13).

Hyper-presidentialism⁵ is one such scenario where the 'winner takes it all'. "Hyper-presidentialism occurs when elected presidents try to take the law into their hands, ignore constitutional limits, supersede the Congress and the courts, and use every possible trick to prolong their stay in office. Hyper-presidentialism directs a grave assault on democracy, because it is a challenge to political institutions coming from none other than the commander and spender in chief" (Corrales and Altschuler, 2009). The recurrence of hyper-presidentialism indicates that the dominance of the president in the regimes of Latin America can be a hindrance for the establishment and functioning of democratic institutions. This, as well as increased political instability, controversial reelection procedures and lack of confidence in party systems, can cause the support for the regime to diminish (Filgueira et.al 2005:94). Low levels of support can be a crucial problem, as the functioning and maintenance of democratic systems are closely linked with what and how people think about democratic governance (Lipset 1959:86-105). This thesis therefore seeks to find the factors that can have an influence on 'what and how' people think about the democratic governance in the Latin American region.

1.2 Democratic support and satisfaction

There are two approaches to measuring attitudes towards democracy. One is observing *support for* democracy, another is to observe respondents *satisfaction with* democracy.

David Easton's concept of political support has been a reference point in clarifying the differences between *support for* democracy and *satisfaction with* democracy. Easton (1975) distinguishes between specific and diffuse support. Specific support is 'object-specific' in the sense that it is a response to the authorities based on the evaluation of the incumbent government's general performance, and their ability to meet the public demands (Easton 1975:437-438). This form of political support can be interpreted to be *satisfaction with* democracy. Diffuse support, is a deeply embedded set of attitudes towards politics and the operation of the political system (Easton 1975:444), or in this instance, *support for* democracy.

Support for democracy can be been measured as an evaluation of whether democracy is the only legitimate regime, or if an authoritarian regime could be considered as an alternative

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⁵ Hyper-presidentialism is "a President's government" or an accumulation of power by the president (Rossi and Böhmer, 2004).

under certain circumstances (Latinobarometro⁶). Support for democracy is thus an indication of the extent to which democratic rule is massively accepted (Moreno 2003:271). Satisfaction with democracy is tied to the performance of the regime, and is an evaluation of the actual democracy, not taking other alternatives into consideration.

In designing ideal type models to explain the rationality behind regime preferences, political scientists Sarsfield and Echegaray (2005) used satisfaction with democracy to explain a cost-benefit analysis of regime preference; a classical utility rationality approach⁷. I have used their model layout to sum up the results I found in a cross-tabulation on support for, and satisfaction with democracy in Latin America in 2009:

Table 1.0: Sarsfield and Echegaray's model layout for utility reasons in regime preference, measured by degree of satisfaction with democracy. All estimates are based on Latinobarometro, poll taken in 2009.

	Satis	sfied with democracy	Not	Not satisfied with democracy				
Preference for democracy:	75 %	= (1) Utilitarian 'untested' democrats (35.4 % of sample)	55.7 %	= (3) Genuine 'proven' democrats (29.4 % of sample)				
Indifference:	11.5 %	= (2) Genuine 'proven' authoritarians (11.8 % of	24.6 %	= (4) Utilitarian 'untested' authoritarians (23.4 % of				
authoritarianism:	13.5 %	sample)	19.7 %	sample)				
Total	100 %		100 %					
(n= 19318)	(8626)		(9649)					

The sample is based on respondents from 18 Latin American countries in 2009. N= 20204 (Valid N= 19318). The response categories of satisfaction with democracy have been reduced to two categories for this analysis. 'Satisfied with democracy' aggregates 'very satisfied' and 'fairly satisfied', while 'Not satisfied with democracy' aggregates 'not very satisfied' and 'not satisfied at all'. The 'don't know' and 'no answer' categories are excluded for this analysis.

Wording of the *support* categories is as follows. Preference for democracy: Respondents that have answered 'democracy is preferable to any other kind of government'. Indifference: Respondents that have answered 'for people like me, it doesn't matter whether we have a democratic or a non-democratic regime'. This group has also been referred to as the 'alienated' (Linz and Stepan 1996:227). For authoritarianism: Respondents that have answered 'under some circumstances, an authoritarian government can be preferable to a democratic one' (Source: Latinobarometro).

⁶ Latinobarometro is the opinion survey on which I will base my investigation (the 2009 poll). See chapter 3, part 3.1 (Data).

⁷ The three ideal type models were: The "classical utility rationality" based on cost-benefit analysis, the "means-to-an-end instrumental rationality" and the "axiological rationality" model (see Sarsfield and Echegaray 2005:153-173).

The *classical utility rationality approach* is made up of two groups: Satisfied democrats – the utilitarian democrats (1), and not satisfied authoritarians – the utilitarian authoritarians (4) (Sarsfield and Echegaray 2005:159). The utilitarians (1+4) constitute more than half of the respondents in the total sample (58.8 %). Utilitarians demand that the pursuit of human welfare, or utility, be done impartially for everyone in the society. Human welfare can be defined as "the greatest happiness of the greatest number" (Kymlicka 2002:11). These groups have also been called 'untested' in the table, since one cannot be sure that the respondents that constitute these groups would support a democratic regime if they were not satisfied (1) or an authoritarian regime if they were indeed more satisfied (4). Their subjective state of satisfaction with democracy is the indicator of what utility individuals perceive in the current, existing regime (Sarsfield and Echegaray 2005:158).

The *genuine 'proven' democrats* (3) are supporters of democracy. They find democracy preferable to any other kind of government, even though they do not consider themselves satisfied. The proven democrats are citizens that would still be democrats even though they are not satisfied with what goes under the 'label' of democracy in their country (Kotzian 2011:24).

The *genuine 'proven' authoritarians* (2) are respondents that are satisfied with the current regime, but are indifferent to whether the ruling regime is a democratic one, or an authoritarian alternative. This group is a rather small fraction of the total sample (11.8 %), but as the table shows, there is approximately 20 % higher acceptance of authoritarian regimes amongst respondents that are not satisfied with democracy⁸. Dissatisfaction with democracy can thus result in indifference to the regime, or worse, it can generate doubts or rejection of democracy all together (Sarsfield and Echegaray 2005:159).

There is a mutual relationship between support for—and satisfaction with—democracy. The survival of democracy depends on public support. Democracy can still survive without satisfied respondents, but dissatisfaction might eventually corrode regime support.

Understanding how popular adherence to democracy is sustained can therefore be essential to the survival of democracy (Sarsfield and Echegaray 2005:153). Authorities will be evaluated

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⁸ Within the 'satisfied' aggregate, 75 % of the respondents supports democracy, but within the 'not satisfied' aggregate only 55.7 % of the respondents supports democracy.

according to the extent to which the citizens perceive their demands to have been met. These perceptions, which determine the citizens' *specific* political support, can be significant for the stability or change of a system (Easton 1975:438).

1.2.1 Conceptualization and framework for the measures

What the variable *satisfaction with democracy* measures in a survey poll is highly disputed amongst different scholars. "We expect that 'satisfaction with democracy' cannot but be extremely hard to predict; since it is driven by individual interpretations on both sides of the 'discrepancy': what democracy should look like, and the way it works" (Wagner et.al. 2003:6).

There has been a tendency in previous research to raise questions about the conceptualization of satisfaction with democracy without putting forward any further discussion on the topic. Some scholars (Linde and Ekman) criticize the way satisfaction with democracy is used in comparative politics to measure support for the principles of democracy. Their argument is that the concept only reflects the people's support for the way the democratic regime works in practice (2003:391). One explanation to this is that citizens of new regime—for instance Latin America—have little understanding of democratic ideals, but strong feelings about the performance of the new regime, especially in comparison to the past (Mishler and Rose 2001:304-306).

Other scholars (Wagner et.al.) have a mixed approach, where the concept does not necessarily indicate support for the principles of democracy in general, but still link satisfaction with the current government to the workings of a democracy (2003:2). Another such mixed approach is that the outcome for the variable satisfaction with democracy is connected to the respondents' political knowledge (Canache et. al 2001: 520). That is to say that the respondents with high knowledge levels will tie satisfaction to support for democracy as a form of government, while 'less informed' respondents will tie satisfaction to support for incumbent authorities (ibid.). Yet other scholars argue that satisfaction with democracy is an indicator of actual system support, and not coterminous with support for the incumbent government (see Anderson et.al, 1997).

Finally, some scholars go so far as to say that variables measuring such ambiguous concepts should be all together excluded from future questionnaires, since the interpretation cannot be consistent. The advantage of asking the same question in future surveys is that the repetition makes it possible to observe tendencies in a long-term perspective. The possible misinterpretation of the term satisfaction will be repeated, but the consistency and continuity of what is measured will persist.

Does the variable then represent satisfaction with the principles of democracy, or satisfaction with the government in power? I believe it is a combination of the two. The 'true' meaning of the concept remains ambiguous.

1.2.2 What is satisfaction with democracy?

Satisfaction is an abstract term and the conceptualization is important for the validity of the concept (Adcock and Collier 2001:531). The background concept for the Latinobarometro poll taken in 2009 was to determine if the democracies of Latin America have matured. This was in light of two extraordinary events, the economic crises in 2008 and the coup d'état in Honduras in June 2009. Political scientist Jon Elster (1987:43) wrote that "Some mental and social states appear to have the property that they can only come about as the by-product of actions undertaken for other ends. They can never, that is, be brought about intelligently or intentionally, because the very attempt to do so preclude the state one is trying to bring about". Satisfaction with democracy can be said to be one such by-product, which only can be established by an overall and usually longer-term support for the principles of democracy and conviction through action by those representing the regime. This is the equivalent to Easton's specific political support which is the "satisfactions that members of a system (e.g. democracy) feel they obtain form the perceived outputs and performances of the political authorities" (1975:437). Satisfaction with democracy is a good measure of perceptions concerning the effectiveness of democracy in dealing with economic, social and political problems (Lagos 2001:141) and can thus be an indication of how mature the respondents find the democracy in their country.

Satisfaction with democracy as such is not an indication of how democratic the countries are. It is important to note that the investigation in this thesis is about the factors that can influence the respondents' satisfaction with democracy. The thesis does not discuss the *presence* of democracy in the Latin American countries.

1.3 Previous research

Satisfaction with democracy is probably the most popular and universal question regarding attitudes towards democracy in public opinion surveys. All the existing worldwide surveys contain this question, which facilitates comparison. There is extensive literature available on the matter, with different focus or areas of investigation. I will give a brief introduction to the previous research on satisfaction with democracy that has inspired and served as a basis for this particular thesis.

Anderson and Guillory's article *Political Institutions and Satisfaction with Democracy: A Cross-National Analysis of Consensus and Majoritarian Systems* (1997), uses the Eurobarometer poll of 1990 to compare 11 European countries⁹, asking if political institutions affect citizen satisfaction with democracy. The article contributes to the investigation of satisfaction with democracy by incorporating the country's political context to the explanation of public support for, and satisfaction with, democracy. Their results show that satisfaction with democracy is affected by the respondents' status as a part of the political majority or minority; referring to whether they are amongst the winners or losers in electoral contests. This is influenced by how the democratic institutions treat those in the political majority and those in minority, combined with individual-level variables such as evaluation of economic performance and political interest (1997:66-77).

Linde and Ekman are testing the winner/loser hypothesis in a Central and East European context, including countries with shorter democratic experiences. They use Central and Eastern Eurobarometer from 1997 on ten additional European countries ¹⁰ and conclude that Anderson and Guillory's findings of the importance of 'winners' and 'losers' is indeed valid (2003:404). They add that the pattern is related to long-term experience with democracy, since the share of 'satisfied losers' is significantly higher in Western Europe than in Eastern Europe (Linde and Ekman 2003:403).

A critical study on the winner/loser gap has been conducted by Blais and Gelineau (2007). They question the causal relation of the electoral outcome and the levels of satisfaction with

⁹ The Eurobarometer poll from 1990 has an N=12, the 12 member states of the European community at the time. Anderson and Guillory have excluded Luxembourg because of small sample size. Respondents from Northern Ireland have also been excluded due to the special political situation in the area (Anderson & Guillory 1997:69-70).

¹⁰ The countries involved in the study was Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia (Linde and Ekman 2003: 404).

democracy. By using the 1997 Canadian federal election panel study, they find that the winners of electoral contests are more satisfied with democracy also before the election, and add the effect of the electoral cycle in explaining positive attitudes towards democracy.

Another article on the subject by Wagner, Dufour and Schneider: *Satisfaction not Guaranteed-Institutions and Satisfaction with democracy in Western Europe* (2003) also uses the Eurobarometer poll of 1990, N=12 (as Anderson and Guillory, 1997), but have a different view upon which factors play a role in determining the respondents satisfaction. First, they introduce their article by placing satisfaction with democracy on equal terms as satisfaction with the 'constitution in operation' in their investigation (2003: 2-3), which is an often debated entry in this field of investigation (see discussion part 1.2 of this chapter). Secondly, they argue that group membership as a measure of social capital is a positive contributor to citizen satisfaction, while income inequality can be detrimental to the people's opinion on democracy. They also tested the influence of trust, but found the results to be ambiguous (2003:4).

Alejandro Moreno (2003) focuses on the negative relation between corruption and democratic attitudes in his article Corruption and Democracy: A Cultural Assessment. The study is based on data from successive waves of the World Value Surveys. He inquires as to the extent of which permissiveness towards corrupt practices reflect cultural factors. The article shows that permissiveness towards corruption is strongly and negatively correlated with support for democracy and trust. Latin America is used as an example of a political culture where corruption has played an important role in political competition. With new democratic governments in Latin America, the battle against corruption has been intensified. Moreno is directed towards finding out if democratization reduces corruption. He finds that this is not the case in countries where the mass public is likely to accept some corrupt practices. In such cases, corrupt practices are attached to the political culture and inherited practices from former less-democratic regimes. The justification of corrupt practices in Latin America has been found to be higher at the end of the 1990s, than in the beginning of the same decade (Moreno 2003:274). The article emphasizes the negative effect of corrupt practices on economic development and the emergence and survival of democratic institutions (Moreno 2003:265).

Marta Lagos is one of few investigators concentrating on the Latin American continent¹¹. In a series of articles (2001, 2003) she discusses how Latin Americans view democracy. In her article: "A Road with no Return?" (2003), she argues that satisfaction with democracy is negatively affected by social inequalities, corruption and poor political performance. Lagos emphasizes that satisfaction with democracy in Latin America is highly sensitive to variation in economic performance and alternation in power.

I will use the approach of these research articles in the attempt of explaining attitudes towards democracy in Latin America.

1.3.1 The contribution of the thesis

Previous research has focused on various indicators as prerequisites for satisfaction with democracy. An observation from worldwide studies on satisfaction with democracy is that the factors of significance are highly related to the context in which it is presented. Latin America is an interesting field of investigation. The political situation of the continent is vibrant and consistently changing. However, there are few of the international surveys that include more than a handful of the Latin American countries simultaneously.

Most of the research has evolved around Europe and consolidated democracies. The findings are based on empirical evidence from advanced industrial states. There is no reason to expect that the factors affecting citizen satisfaction and dissatisfaction in wealthy and well established democratic states would be the same as in not so wealthy countries with briefer experiences with democratic practices (Nevitte and Kanji 2003:158).

All regimes are dependent upon public support for survival. If the findings in this thesis can contribute to understanding which factors are favorable or detrimental to sustaining a democratic regime, can this be useful for policy-makers in young or unconsolidated democracies, in yet other parts of the world.

¹¹ Marta Lagos is also the founding director of Latinobarometro survey.

2 Regional experiences and expectations

This chapter will take a look at satisfaction with democracy in Latin America from the first poll of the Latinobarometro survey in 1996 to the latest poll in 2009¹² (part 2.1). In formulating the hypotheses, the differences between the countries and the variations from one year to another will be discussed and combined with findings in previous research on satisfaction with democracy. Socio-economic conditions will be discussed and formulated into hypotheses in part 2.2, followed by political conditions in part 2.3, and contextual conditions in part 2.4.

2.1 A long-term perspective

The turbulent political history of the Latin American countries and the frequent changes in the political landscape has had an impact on citizens' attitudes towards democracy. Satisfaction with democracy has generally been low in Latin America. However, the statistics show that it is increasing. In 2009, as compared to the previous five years, we see a trend where citizens with varying degrees of satisfaction and dissatisfaction express greater overall levels of satisfaction with democracy. This implies that there is not just a general increase in satisfaction with democracy, but also a shift towards more satisfied citizens.

In the Latinobarometro poll taken in 2008, Uruguay was the only country with a majority of satisfied respondents. Venezuela and the Dominican Republic followed closely with a rather even number of satisfied and dissatisfied respondents, but the remaining countries still had a high number of dissatisfied respondents. The 2009 poll shows a far more positive trend:

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¹² The 2009 survey poll was the latest addition available when I gathered data for the thesis.

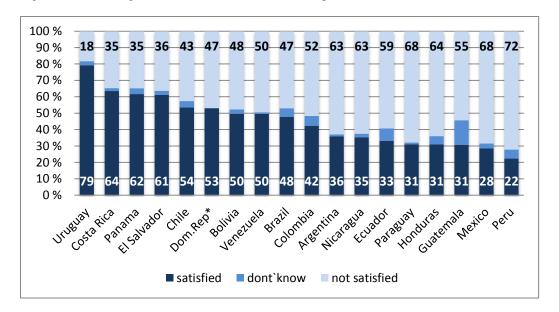


Figure 2.0: Percentage of satisfied versus dissatisfied respondents in the Latin American countries in 2009

(*Dom. Rep = Dominican Republic. Source: Latinobarometro, 2009).

Uruguay still has the absolute highest proportion of satisfied citizens, while Costa Rica and Panama are following closely. El Salvador, the Dominican Republic and Chile have a majority of satisfied citizens while Bolivia and Venezuela have more satisfied citizens than dissatisfied citizens. This is a remarkable leap for satisfaction with democracy in the region.

2.1.1 Satisfaction with democracy in Latin America: 1996-2009

A long-term perspective can be useful for detecting tendencies within the different countries, and link the results to important historical milestones. The changes from year to year and the variation between countries will be basis for reviewing experiences in the region. The approaches to explaining the ups and downs in the satisfaction with democracy could be inexhaustible. I shall devote my attention to the socio-economic and political conditions that were emphasized in the previous research on satisfaction with democracy in Europe and Latin America.

Table 2.0: Mean satisfaction with democracy, on a scale from 0 (not at all satisfied) to 100 (very satisfied). The countries are placed in alphabetic order.

Country	1996	1997	1998	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Argentina	41	43	50	48	28	18	40	40	40	49	39	39	41
Bolivia	35	40	44	34	29	35	32	30	33	45	45	40	51
Brazil	29	29	34	27	33	33	35	36	31	42	38	42	48
Chile	37	42	38	40	34	37	39	45	47	45	42	42	53
Colombia	28	42	33	37	28	28	35	37	39	39	39	47	48
Costa Rica	56	66	61	63	54	70	49	53	46	51	50	48	62
Dom. Rep*	-	-	-	-	-	-	-	44	48	50	49	48	54
Ecuador	41	37	40	33	28	28	33	25	30	30	40	44	42
El Salvador	35	49	49	35	35	47	41	48	43	35	39	44	58
Guatemala	29	46	55	44	34	41	36	36	39	39	40	39	43
Honduras	30	56	46	50	41	63	42	40	40	42	39	36	38
Mexico	24	46	29	41	35	28	28	28	31	42	37	34	35
Nicaragua	34	54	34	25	36	58	38	31	29	34	47	44	41
Panama	34	45	40	49	35	47	35	41	33	46	44	42	61
Paraguay	33	23	31	18	17	14	15	23	22	19	18	29	37
Peru	39	32	28	34	29	32	23	19	27	35	30	28	35
Uruguay	52	61	65	65	54	52	45	46	60	61	62	66	72
Venezuela	36	41	40	58	47	48	42	46	57	60	60	52	51
Total	36	45	42	42	36	40	36	37	39	42	42	42	48

(*Dom. Rep is short for Dominican Republic. The Dominican Republic was first included in the survey from year 2004. Source: Latinobarometro).

As the table shows, the measures fluctuate immensely. It should however be noted that there has been a total increase in the satisfaction with democracy the last couple of years.

Uruguay and Costa Rica have the absolute highest all-time scores. The two countries have the most stable and legitimate democratic traditions in Latin America, and have sometimes been said to be the only consolidated democracies in the region, followed by Chile (Lagos, 2003:164). It is worth noting that in the polls taken in the period 2005 through 2008, Venezuela—a country that has been criticized by the international society for undemocratic representation and procedures in the latter years—had a higher mean satisfaction with democracy than Costa Rica. With the exception of Uruguay, Venezuela was also the only of the Latin American countries which had more satisfied than dissatisfied respondents throughout that same period.

2.2 Regional experiences and hypotheses: Socioeconomic conditions.

2.2.1 Economic growth (H1)

Economists would perhaps explain the ups and downs in respondents' satisfaction with democracy with the state of the market and the country's economic situation at the time. Mexico and Brazil were gravely affected by the Asian financial virus which "attacked" various economies in the world. Mexico was hit in 1995, and Brazil in 1998 (Petras and Veltmeyer 2009: 380). In 1999, Brazil had to devaluate their currency due to dangerously low foreign reserves and increasing governmental debt (Manrique 2009: 326). The following years (1996 in Mexico and 2000 in Brazil) are those where the lowest mean satisfaction with democracy is expressed in the two countries.

Argentina was considered the richest country in Latin America in 1998¹³. The GDP per capita in Argentina was 72 % higher than that of Brazil at the time, and almost the double of Mexico's GDP (Manrique 2009:326). The mean satisfaction in Argentina is at its highest in the period of investigation in 1998. Later, the country experienced a collapse of the economy in the years of 2001-2002, that led to a major financial crisis. This could explain the dip in satisfaction with democracy in 2001, and especially in 2002. Recession in Argentina and Brazil also affects Uruguay. This little country is dependent upon its neighboring countries for export and tourism, and had no means to avoid an economic crisis in 2002. The following years of 2003-2004 are those in which the respondents in Uruguay are least satisfied with democracy, compared to the otherwise strong results in the period of this investigation.

Between 2003 and 2007 the economic growth in the whole region was extraordinary high (Petras and Veltmeyer 2009:384). This could have contributed to the overall increased satisfaction with democracy in this period. In 2008 the brisk economic growth slowed down in countries like the Dominican Republic, Costa Rica and Panama due to global economic downturn and increased cost of living (Freedom House, 2009¹⁴). Peru and Uruguay had a stable growth rate, while the two Andean countries Ecuador and Bolivia were the only two countries with substantial economic growth. Bolivia especially as a producer of raw materials

¹⁴ Freedom House is an US based non-governmental organization that conducts research on democracy related matters, political freedom and the human rights situation in the world (Freedom House).

¹³ This statement is based on 'on paper' estimations (Manrique 2009:326). Argentina's GDP per capita was at 8.250 \$ (ibid.).

enjoyed a notable economic growth even in times of recession. This was mostly due to increasingly high market prices on raw materials in the world, from 2006. The mean satisfaction with democracy in Ecuador and Bolivia increased remarkably between 2007 and 2008.

Honduras had a slow economic growth from 2007 to 2009 due to political crisis which culminated with the coup d'état in 2009. During that same period, Mexico also experienced extreme economic difficulties, as one the largest traders with the global market of the Latin American countries. This was both because of the global economic slowdown in 2008-2009 and for being the "origin" of the swine flu epidemic in 2009 (Freedom House, 2009). These economic conditions could partly explain the low satisfaction with democracy in Honduras and Mexico between 2007 and 2009.

El Salvador did also have a slow economic growth from 2007 to 2009, in their case due to large budget deficits. However, in El Salvador, this cannot explain the citizens' satisfaction with democracy, as the El Salvadorans were more satisfied in 2008 than the year before, and the country with the 4th most satisfied respondents in 2009. Peru also breaks the pattern. Being one of the Latin American countries with the most stable and strong growth rates does not help the Peruvians from being at the very bottom of list when it comes to citizen satisfaction with democracy. Peru has the highest percentage of dissatisfied respondents of all the Latin American countries in 2009 (see figure 2.0).

The long-term perspective indicates that the economic situation of a country may or may not be an explanatory factor of citizens' satisfaction with democracy. It is a longstanding presumption that prolonged effectiveness in economic development increases the chance to sustain democracy (Lipset 1959:75). Poor economic conditions can affect support for the system if the citizens hold the government responsible (Anderson and Guillory 1997:72). Favorable economic conditions can lead to an acceptance of less democratic procedures ¹⁵.

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¹⁵ Chile and Uruguay can serve as examples of this. In Uruguay, the former military regime did not have any clear economic project. The political and economic elite in Uruguay believed that a political opening would speed—rather than slow—economic recuperation and supported a transition towards a democratic regime (Linz and Stepan 1996:153). In Chile, on the other hand, the authoritarian regime of Pinochet had a strong and progressive economic agenda. The economy politics of Pinochet was favorable to the economically strong upper class, which supported the less-democratic regime, anxious to keep their benefits (ibid.).

Economic growth can contribute to a greater economic and financial stability, which in turn allows room for an increase in public welfare. This can be of influence for the satisfaction with the functioning of governments and democracy (Malamud et.al 2007:16). This gives the hypothesis:

H1: Positive perception of economic situation increases respondents' satisfaction with democracy.

However, in taking an economic approach in explaining long-term tendencies in satisfaction with democracy in Latin America, we saw that there is no clear indication of the direction of how perception of economic situation of country affects citizens' satisfaction with democracy. This leaves us with an alternative hypothesis:

H1': Positive perception of economic situation does not affect respondents' satisfaction with democracy.

2.2.2 Economic inequalities (H2)

In spite of efforts to reduce poverty in Latin America, most of the countries in the region still have great difficulties improving the standard of living for a large sector of its population. Poor living standards amongst the marginalized groups such as the poor and the indigenous, and also women in some of the countries, could affect citizens' satisfaction with democracy.

The countries with a high national poverty rate¹⁶ such as Bolivia (60.1 %), Honduras (60 %), Mexico (51.3 %), Guatemala (51 %) and Nicaragua (46.2 %) are—with the exception of Bolivia—to be found amongst the countries with lower mean satisfaction with democracy. The figure 2.1 shows the development of poverty and extreme poverty in Latin America:

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¹⁶ National poverty rate is the percentage of the population living below the national poverty line. National estimates are based on population-weighted subgroup estimates from household surveys (World Bank).

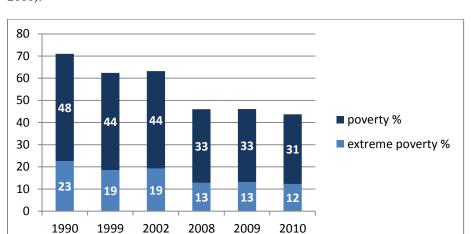


Figure 2.1: The percentage of the Latin American population that lives in poverty and extreme poverty (1990-2010).

Poverty is the percentage of population living on less than 2 dollars a day, *extreme poverty* is the percentage of population living on less than 1 dollar a day. (Source: The 2011 report of the Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries. The report is based on the 18 countries in the Latinobarometro survey plus Haiti. The percentage of the Haitian population that is considered to live in extreme poverty has been estimated and deducted from the total).

There have been efforts to improve the social situation in Latin America. An example can be that of Venezuela, where social programs were introduced in 2003 (Petras and Veltmeyer 2009:395). The Bolivarian Mission as the programs were called was created to speed up the government's actions in priority areas for the neediest of the population (ibid.). This involved reducing poverty and introducing social welfare. The introduction of the programs led to a strong reduction of poverty. The percentage of the total population living on less than 2 dollars per day fell from 48.6 % in 2002, to 30.2 % in 2006. The percentage of the population living in extreme poverty—less than 1 dollar a day—fell from 22.2 % to 9.9 % in the same period, and was further reduced in 2007 (ECLAC, MDG). This could have contributed to the obvious increase in satisfaction with democracy in Venezuela from 2006.

Similar economic reforms and promises of eradicating of extreme poverty have improved the poverty statistics in Brazil as well. The percentage of the total population living on less than 2 dollars per day fell from 38.7 % in 2003, to 24.9 % in 2009. The percentage of the population living in extreme poverty in Brazil was halved in the same period, from 14 % to approximately 7 % (ECLAC, MDG). Even though the poverty problem is profound in Latin America, figure 2.1 shows that it is a decreasing problem in the region as a whole. This could correspond to the general increase in satisfaction with democracy in 2009, compared to the beginning of the millennium decade.

What the table does not show is the increasing gap between rich and poor in Latin America. Previous research found that people who live in countries with a high degree of income inequality tend to be less satisfied with democracy (Wagner et.al 2003:27). The GINI coefficient is a measure of income inequality¹⁷.

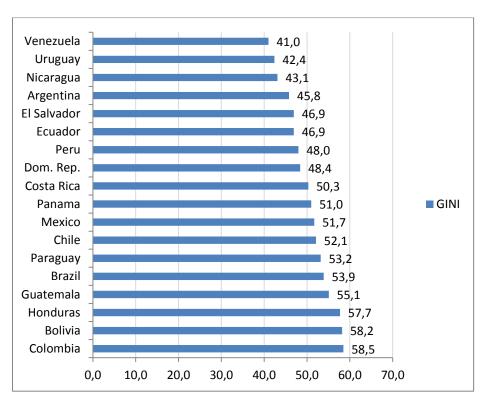


Figure 2.2: GINI coefficients for countries placed in descending order. Estimates are from the years 2007 to 2009.

(Source: CIA Factbook).

Latin America is the region where the countries have the world's highest income inequality. The average GINI coefficient is 0.5, whereas the GINI coefficient is closer to 0.3 in rich countries and down to 0.25 in the Scandinavian countries (CIA Factbook).

Most of the countries in Latin America experienced that economic liberalization and democratic consolidation took place almost simultaneously (Lijphart and Waisman 1996:235-236). The economic liberalization, referring to privatization, deregulation and the opening of the economy, increased social differences. The gap between rich and poor became wider as well as the gap between 'winners' and 'losers' within the social classes, between sectors of

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¹⁷ The coefficient is a number between 0 and 1, where 0 corresponds with perfect equality and 1 corresponds with perfect inequality (Hellevik 2002:24). Family incomes are plotted in cumulatively against the number of families arranged from the poorest families to the richest families in every country.

economy and regions of the country. This is an expected consequence of economic liberalization (ibid.). The logic behind the liberalization is that the differences eventually diminish because of the mechanisms of the market and the redistributive politics of the democratic states. However, when—or where—the consolidation process moves slowly, the social differences remain, and will inevitably become harder to even out.

It is argued that social inequality is the core problem for democracy in Latin America (Lagos 2003:164). This is not only economic inequality and the vast income differences in the societies, but also an unequal distribution of social, political, and welfare rights (ibid.). Income differences will be the main focus of this thesis, as it is widely known that the income distribution in the Latin American countries is among the most unequal in the world¹⁸. I expect this variable to be of great importance in affecting citizens' satisfaction with democracy, and the hypothesis is as follows

H2: Perception of fair income distribution in country will increase respondents' satisfaction with democracy.

2.3 Regional experiences and hypotheses: Political conditions

2.3.1 Legitimacy of political institutions (H3)

From a political standpoint one would expect that political stability and regime legitimacy could affect citizen satisfaction with democracy. Seymour Martin Lipset (1959) argued that the stability of a democracy depends on economic development, effectiveness, and the legitimacy of its political system.

Costa Rica is considered the most stable of the Latin American countries with a very low risk of economic distress and political unrest, which are the main causes of political instability

have 3.9 % share, while the highest 10 % have 21 % share of household income (estimates from 2009,

CIA factbook).

 $^{^{18}}$ The household income or consumption by percentage share is extremely uneven for the lowest 10 %and the highest 10 % in several of the Latin American countries. In Colombia the lowest 10 % have only 0.8 % share of household income, while the highest 10 % have 45 % share of household income. In Bolivia and Honduras the situation is similar. The lowest 10 % have 1 % share of the household income in Bolivia, and only 0.6 % in Honduras. The highest 10 % have as much as 45.4 % share of household income in Bolivia, and 43.8 % in Honduras. In Norway as a comparison, the lowest 10 %

(EIU¹⁹, 2009). The country has long democratic traditions, the best social welfare system and the highest standards of living in the region. This could explain their overall high mean satisfaction with democracy. Uruguay has a similar story. What is special in Uruguay is the role that the political parties have played. Uruguay had the sturdiest democratic tradition in Latin America before its breakdown. Uruguayan voters have had a tradition of strong party identification, even compared to West European standards (Linz and Stepan 1996:152). Even during the time of the deeply repressive military regime²⁰ most military officers also identified with one of Uruguay's two traditional party "families" (ibid.). The long-term loyalty and commitment to political parties have given legitimacy to the party system as a political institution.

At the other end of the scale, all the countries where the majority of the respondents are dissatisfied with democracy—Colombia, Argentina, Ecuador, Paraguay, Honduras, Guatemala Mexico and Peru—are assumed to have a high risk of political unrest in 2009 (EIU, 2009). Honduras is the prime example of political unrest, with a re-emerging ghost from the past; a coup d'état in 2009. In Colombia, another well-known example, guerilla movements and paramilitary groups have made the politics very unstable and fragile for decades (Freedom House, 2009). The political turbulence in Colombia is likely to have had a negative effect on citizens' satisfaction with democracy. The political unrest has increased in most countries in Latin America in the period 2007- 2009 (EIU, 2009). The mean satisfaction with democracy has nevertheless also increased in 80 % of the countries in the same period.

Lipset (1959:86) also argued that legitimacy involves the "capacity of the system to engender and maintain the belief that the existing political institutions are the most appropriate ones for the society". Theoretically, democratic legitimacy and democratic institutions have said to be inseparable (Karp et.al 2003:273). The inheritance from the authoritarian regimes has been a challenge to the legitimacy of the democratic institutions in Latin America.

Hierarchically led military authoritarian regimes have been said to be a potential advantage for transition to democracy; that the military as an institution can see their interests best

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¹⁹ The Economist Intelligent Unit's "Political Instability Index" is a survey in which the rating is based on economic distress and underlying vulnerability to unrest in each country (N=165 countries in the world). The index draws on the work of the Political Instability Task Force (George Mason University, USA) that has created a simple model that has a rate of success of over 80% in identifying, ex post, outbreaks of serious instability for a data set that stretches back to 1955 (EIU, 2009).
²⁰ Uruguay was an authoritarian regime from 1973 to 1985, dominated by the military from the beginning, and ruled by the hierarchically led military from 1976 (Linz and Stepan 1996:152).

served somewhat detached from the government (Linz and Stepan 1996:152). By the same token, an authoritarian regime might be a hindrance for further consolidation of democracy. This is when the military, before opening up for democratic transition, protected their undemocratic procedures by incorporating conditions and terms in the constitution. In many of the Latin American countries, the former authoritarian elites made sure they had representatives in the parliaments, the councils, the courts and/or the national congresses before they delegated the de facto power to democratically elected candidates²¹. Unfortunately, these political structures were deeply embedded into society, and have proved hard to change.

In the introduction of this thesis, the argument is that the military is no longer an imminent threat to the democracies of Latin America. Problems with weak institutional and constitutional controls and strong presidential rule are still challenging the regimes of Latin America. "Politicians have an incentive to enhance their power by creating institutions that give them greater freedom to act, and by undermining institutions designed to check their influence" (Rose-Ackerman et.al 2011:246). Presidents are particularly likely to test the limits of their power (ibid.). In Guatemala, as an example, the president can only be elected to one four-year term. The one-term restriction was initially introduced as a security buffer against power accumulation by the president. However, history has shown that this did not hinder the presidential candidates' quest for personal power enhancement (Sloan 1971:22). The political parties in Guatemala arise sporadically and exist only as long as the president is in power. Once the president assumes office, the political parties are likely to "turn into agencies of employment and business" (Sloan 1971:24).

At the other end of the spectrum, there are countries in Latin America that have no restrictions on presidential re-election. The Venezuelans backed their president Hugo Chavez by voting to abolish term limits in a 2009 referendum. Chavez, whom has been accused for "embodying a modern form of authoritarian rule", thus with a democratic mandate (The Economist 2010) can run for re-election in 2012 after having held his presidential position since 1999. This can be seen as a different form of power accumulation, often referred to as hyper-presidentialism.

²¹ A problem that occurred was also that the newly elected candidates did not have the majority in the parliament or the congress and was therefore incapable of making any radical changes, or changes at all that was not approved by the former authoritarian elites. One example of this situation can be from Chile, with the former dictator Pinochet. When the democratic regime came to power in Chile in 1990, it confronted a constitutional court with seven relatively young members, all appointed by Pinochet and not one of them could be replaced until he reached retirement age (Linz and Stepan 1996:209).

This has become a recurrent problem in many of the Latin American democracies since the 1990s. In Honduras, is has been argued that hyper-presidential tendencies set the stage for the coup, as the president Manuel Zelaya—who was ousted in 2009—desired to seek another term in office, even though re-election is prohibited according to the Honduran Constitution (Corrales and Altschuler, 2009). Argentina has also been criticized for their hyper-presidential systems, where for decades the presidents have repeatedly undermined institutional efforts to limit their power (Rose-Ackerman et.al 2011:249, Berensztein, 2005).

Easton (1965:448) point out that trust is stimulated by the experiences that the citizens have of the authorities in a long-term perspective. The lack of experience with independent institutions and the undermining of the role and function of these could be an obstacle for having trust in the democratic institutions.

Previous research on the relationship between satisfaction with democracy and political trust in Europe has turned out vague or ambiguous (Wagner et al. 2003:4). However, when referring to the regional experiences with political institutions and regime legitimacy, it is likely to believe that trust in democratic institutions would be of importance for respondents' satisfaction with democracy in Latin America.

H3: Legitimacy of the political system and trust in democratic institutions increases respondents' satisfaction with democracy

2.3.2 Political participation (H4)

The social 'revolution' that has taken place in many of the countries in Latin America could also explain the increased levels of satisfaction with democracy. All of the countries in the region have an indigenous population or a population descending from slavery. The term 'indigenous' has generally been used to refer to socially excluded groups (World Bank 2011:119). The indigenous population constitute a tenth of the approximately 550 million inhabitants in Latin America (Manrique 2009:33). Some of the countries have sizable populations of indigenous people, especially Bolivia, Peru, Guatemala, Ecuador and Mexico. The discrimination and 'disadvantage' of being indigenous is still profound in many of the countries (World Bank, 2011). According to Freedom House's report of political rights and

civil liberties²², initiatives have been taken to include the indigenous population in political representation, courts and congresses in Latin America (Freedom House, 2009). In countries such as Bolivia, Brazil, Ecuador and Venezuela the governments have shown recent efforts to include the indigenous in politics, even though their representation still is rather limited (Manrique 2009: 42-43). Taking Bolivia as an example, we see that there has been a clear increase in satisfaction with democracy from 2006 to 2009. Evo Morales was elected president in 2006. He was the very first indigenous president in Bolivia where between 60 % and 70 % of the population consider themselves indigenous. Morales' campaigns to involve the indigenous people and the poor in the political arena and social life, may have contributed to a positive leap in satisfaction with democracy in Bolivia.

The other countries with a sizable indigenous population are at the bottom end of the list in regards to mean satisfaction with democracy; especially Peru, Mexico and Guatemala. Peru and Guatemala are examples of countries where a large indigenous population has been excluded from the political sphere. This can indicate that exclusion from participation in political processes causes dissatisfaction with democracy.

If political exclusion leads to political passivity or indifference in regards to regime preference, this can be a threat to the survival of democracy. Political passivity and apathy amongst the citizens is often measured by failure to vote in election (Campbell 1962:9). Electoral statistics show that people of a lower class status have a greater chance of being a passive citizen (ibid.). Citizens who believe that their participation can influence the political policymaking are likely to be more optimistic in their view of democratic governance (Anderson and Guillory 1997:72). Individuals with strong subjective feeling of efficacy have been found more likely to vote, to take an interest in political campaigns and to participate in party activities (Milbrath, 1965).

An integration of marginalized groups in the political sphere could increase political awareness and involvement. Political interest can be said to be the state of wanting to know or learn about politics. Interest in politics has been an indicator of satisfaction with democracy in previous research (see Anderson and Guillory, 1997). This gives the hypothesis:

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²² The report *Freedom in the World* is an annual report published by Freedom House. Freedom in the World 2009 includes 193 countries and 16 related or disputed territories (Freedom House, 2009).

H4: Interest and involvement in politics will increase respondents' satisfaction with democracy.

2.3.3 Electoral outcome (H5)

A long-awaited change in power could also explain positive attitudes towards those representing the political regime. Paraguay can be an example of this. Paraguay has had a one-party conservative rule for 61 years until Fernandez Lugo, representing the left-wing party was elected president in 2008. Paraguay has had the lowest overall mean satisfaction with democracy between 1996 and 2009. In 2008 the extremely low scores of the first decade of the millennium was turned around. A change in the political landscape might have contributed to the start of an upward trend in satisfaction with democracy.

In El Salvador we see the same pattern. The country had a presidential election in March 2009 where Mauricio Funes won the election in one round with 51.3 % of the votes. Funes is the first left-wing politician to lead the country since the end of the civil war two decades ago. El Salvador is one of the countries with the absolute highest increase in mean satisfaction with democracy from 2008 to 2009.

Another example can be from Brazil, where Luiz Inacio Lula de Silva (Lula) was elected president in 2002 on the promise of a more fair wealth distribution. Lula succeeded Fernando Henrique Cardoso who was the Brazilian president from 1995-2002. Cardoso was known for his neoliberal political strategy that left Brazil "for sale" (Petras and Veltmeyer, 2003). The lack of economic growth and increased social inequalities in Brazil during Cardoso's presidency could have contributed to the relatively low scores of satisfaction with democracy.

Lula's winning of the presidential election was a historical alternation of power, as he became the first working-class president in Brazil. His being elected was based upon the voters' optimistic expectations that he would be able to tackle poverty and social inequality (Zobel, 2005). The citizens' satisfaction with democracy increased moderately in his first term²³.

are doing to counter corruption. No one has more moral and ethical authority than I do" (Zobel, 2005).

²³ Lula's capacity to deliver was an element of uncertainty during his first presidential term. The *mensalão* corruption scandal in 2005, which was directly connected to Lula's office, did not help the citizens' attitudes towards democracy. However, Lula made himself heard when claiming—following the revelations—that: "In the history of the republic, no government has done even 20 % of what we

However, when he was reelected in 2006 the citizens' satisfaction with democracy increased remarkably in Brazil.

Political stability and long-awaited political changes could explain the pattern of satisfaction with democracy in a long-term perspective. With the exception of the ouster of the Honduran president in 2009, Latin America have passed decades without completed coupes d'état, in contrast to the 1960s and 1970s²⁴. The Latin American region consists of countries that have been electoral democracies longer than many of the countries in Europe. The participation in the electoral processes has been intensified, especially during the last five to seven years. The popularity of the candidates elected has also been considerably higher in this period (Latinobarometro).

Elections will inevitably create both winners and losers as long as the election is open, and with competing parties involved. Previous research has found that people who voted for the party in power—the *winners* of the electoral contests—are more likely to be satisfied with the way the democracy works (Andersen and Guillory 1997:66, Wagner et.al 2003:16, Linde and Ekman 2003:404). Losers are generally less satisfied with democracy. To see if this is valid in a Latin American context, the findings from Europe will serve as the hypothesis:

H5: The 'winners' of electoral contests are more satisfied with democracy in Latin America than 'losers'.

The hypotheses regarding winner/loser status, interest and political participation, and perception of economic situation, are all findings that have been statistically significant in explaining citizens' satisfaction with democracy in Europe. The analysis in chapter 4.0 will reveal whether these factors have an effect on respondents' satisfaction with democracy in Latin America as well, or if they do not explain much when tested in a different context. The hypothesis regarding legitimacy of the political system and trust in democratic institutions embrace many areas in Latin American political history. I expect this to be an important factor for citizens' satisfaction with democracy. Similarly is the hypothesis regarding

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²⁴ Coup attempts in Bolivia (2009) and Ecuador (2010) could also be said to cast a negative shadow over the democratic development in the Latin American region since the cold war, even though the coupes were not completed.

perception of income distribution expected to give results in the analysis, as the economic inequality in Latin America is particularly unfair.

2.4 Contextual experiences and hypotheses

Latin America is a heterogeneous region. In addition to the individual evaluations of the socio-economic and political conditions, there are two country-level factors that I particularly expect can have an influence on its citizens' responses to the question of satisfaction: Natural resources and perceived corruption level in country.

2.4.1 Abundance of natural resources (H6)

Several of the Latin American countries have large oil reservoirs²⁵. Access to natural resources can contribute to social and economic development if administered wisely. It is a paradox that countries with an abundance of natural resources tend to have worse development outcome than countries without such resources. Experience shows that few developing countries actually manage to use the incomes from this venue to fight poverty and improve living conditions in their country. Or worse, the access to natural resources has increased the levels of social inequality and been an incentive for corruption (Robbins, 2000). This can have a negative effect on satisfaction with democracy, and gives the hypothesis:

H6: Abundance of natural resources has a negative effect on satisfaction with democracy.

Nevertheless, the administration of the natural resources has been an important instrument in the campaign of the more left-oriented regimes in Latin America. Large-scale nationalization processes of the resources has in countries like Bolivia, Venezuela and Ecuador been used as a promise of prosperity and better times to come for the citizens²⁶. I expect this to have a positive impact on citizens' satisfaction with democracy. An alternative hypothesis can therefore be:

H6': Abundance of natural resources has a positive effect on satisfaction with democracy.

²⁵ Mexico is the 7th largest producer in the world, Venezuela the12th largest producer, and Brazil the 13th largest producer in the world. However, there are also countries in Latin America such as Honduras, Paraguay and Panama, which are not considered 'oil producing countries'.

²⁶ A recent initiative of nationalization is also seen in Argentina. President Christina Kirchner decided to take over ownership of the majority of shares in YPF, the largest oil company in Argentina, in April 2012. The majority of shares have been controlled by the Spanish company Repsol since 1999 (Østgårdsgjelten, 2012).

2.4.2 Corruption (H7)

The tendency towards an accumulation of power by the president has already been mentioned as a challenge to the legitimacy of the democratic regimes of Latin America (see above, part 2.3). While democratic institutions increase government transparency, a 'president's government' will have the opposite effect, and can be a haven for political corruption (Whitehead 2002:804, Rossi and Böhmer, 2004, Berensztein, 2005). The lack of control within the political system, along with weak institutions and absent external control with public holders of office, has led to corruption in Latin America (Whitehead 2002:804).

Brazil's first democratically elected civilian president in thirty years, Fernando Collor de Mello, was forced to resign in 1992, after less than three years in office as congressional enquiries uncovered the scale of his illicit fundraising activities (ibid.). Also former presidents such as Perez of Venezuela, Salinas of Mexico, Fujimori of Peru, Menem of Argentina and Nicaragua's Alemàn, have all faced serious corruption charges (Whitehead 2002:806). And these are just some examples. In 2004 there had never before been a higher number of former and current presidents who faced corruption charges in Latin America.

Political corruption is a major threat to democratic organization, elections and voting procedures. Oscar Arias Sánchez, the former president of Costa Rica (1986-1990 and 2006-2010) and Nobel Peace Prize Laureate of 1987, once said that corruption is "a pervasive ill which damages economic performance and weakens democratic institutions" (Little 1996:64). He further expresses that corruption "humiliates the poor who must bribe small officials for minimal services, bankrupts the honest trader and empowers unscrupulous captains of commerce and their partners, dishonest politicians... it spreads like a cancer to kill all that is decent in society" (ibid.). The hypothesis based on Arias Sánchez observations is:

H7: Corruption is detrimental to respondents' satisfaction with democracy

Previous research on permissiveness towards corrupt practices in the world has shown that the citizens of Latin America are more tolerant with corrupt practices than citizens of other parts of the world (Moreno 2003:265). Small bribes, kickbacks, and vote buying have turned into normality. During the presidency of Menem (1989-1999) in Argentina as an example, there was no ambiguity or embarrassment in regards to corruption. It was as expected, and the rates and procedures were set (Whitehead 2002:805). There have also been examples of high voter turnouts for corrupt politicians in Latin America. The Portuguese expression "Rouba, Mas Faz", which translates to "he robs, but he gets things done" has been a common description

of politicians in Brazil (Winters and Weitz-Shapiro 2010:1). Some will also support corrupt candidates because they expect to be provided with certain jobs or receive certain other benefits (ibid.). If corruption is a part of the political culture and has turned into normality, it might not be of such big significance in affecting citizens' satisfaction with democracy. An alternative hypothesis can therefore be formulated:

H7': Corruption does not affect citizens' satisfaction with democracy in Latin America.

3 Data and methodological approach

This chapter describes the data (Part 3.1) used in the analyses and the methodological approach (Part 3.2). The part on methodology also includes a discussion on the validity and suitability for statistical measures in general, and the use of the multilevel model in particular. An operationalization of the dependent and independent variables follows in part 3.3.

3.1 Data

The data used in this thesis has been collected from different sources to obtain information on both individual-level and national-level.

The individual-level information was drawn from the Latinobarometro, poll taken in 2009²⁷. The Latinobarometro survey is an annual national-sample survey that has existed since 1995, following the pattern of the Eurobarometer survey. The survey is produced by the Latinobarometro Corporation in Santiago, Chile, with an international advisory board.

The 2009 poll has been executed in 18 Latin American countries with a representative sample selection and a total number of observations of n=20204 respondents²⁸. The individual country sample sizes are between n=1000 and 1200, with an approximate +/-3 % margin of error per country²⁹. All single country data sets are self-weighted, or have been weighted where the selection procedure required weighting. The interviews were conducted in person and in native languages, between the 21st of September and the 26th of October 2009.

There is no contextual information available in the Latinobarometro data. The country-level variables have therefore been merged into the dataset for analysis. I have used The Central Intelligence Agency's (CIA) World Factbook for information on population density and the GINI coefficient, and Transparency International's Corruption Perception Index for a country-level variable on corruption³⁰.

²⁷ For the long-term perspective table in the previous chapter, I have used the Latinobarometro polls from the years of 1996 through 2009.

²⁸ The respondents are adults. In all of the countries this means the minimum age of 18, except in Brazil and Nicaragua, where the minimum age is 16 years (Latinobarometro, 2009).

²⁹ See Appendix B for country-specific technical information.

³⁰ Other indicators of economic conditions—such as inflation rates or unemployment rates, based on information from the national statistical institutes of the countries in the study—were also taken into consideration. The indicators were found to be unreliable sources of comparison as the independence

3.1.1 Countries included in the investigation

The Latinobarometro survey includes all the countries that are considered a part of the Latin American and Caribbean region, and share Spanish and Portuguese colonial heritage, except Cuba³¹. This means that Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela are the countries of investigation.

3.2 Method

3.2.1 Statistical measures: Advantages and challenges

Lijphart (1971) argues that statistical methods are superior to other forms of comparative methods, because of the precision of the results³². Statisticians on the other hand, have been criticized for treating statistical results as more valid than other forms of explanations (Frendreis 1983:258). A common criticism against statistical analysis is the *ceteris paribus* condition. This means that while estimating the effect of one variable in an analysis, the other variables are held constant. This condition is vital to empirical generalizations and can according to Lijphart be "achieved by a process of deliberate randomization" (1971:683). The problem is that the ceteris paribus condition does not exist in real life and that the statistical controlling procedure therefore can disguise important factors of influence (Frendreis 1983:259).

However, statistical analyses based on a random sample do offer strong results that maintain external validity, and can therefore be used for generalizations beyond the sample. Another advantage in using statistical methods is that they include an extensive quantity of information in the analysis. The large number of cases reduces the potential for causal over-determination

of the statistical institutes can be debated. The authorities in countries like Argentina have been criticized for tampering with analysis results to make the situation of the country look better (see The Economist, 2012).

³¹According to the Latinobarometro representative Carlos Macuda (2010) there is no official explanation to why Cuba is excluded from the annual surveys. Since the research question in this thesis is regarding attitudes towards democracy, mainly based on respondents' experiences with democracy in their own country in 2009, obtaining additional information on Cuba seemed unnecessary.

³² This is when experimental method cannot be used. The experimental method is the ideal approximation of scientific explanation, but can rarely be used in political science (Lijphart 1971:683-684).

of the dependent phenomenon that can happen in comparative methods with fewer cases (Lijphart 1975:172). Statistical analysis also makes the investigation verifiable for future analysis on the same subject, and is suitable for comparing tendencies in a long-term perspective.

The purpose of this thesis is to find trends and differences in the satisfaction with democracy in 18 Latin American countries. Utilizing statistical methods to analyze data from public opinion surveys conducted in various countries can present challenges. One example can be whether or not the analysis allows the different socio-political contexts to be taken into account. A multilevel approach can meet this challenge as it controls and exposes the relationship between the observations, and thus, brings awareness to if the effects of the variables in the analysis vary between the countries.

3.2.2 The multilevel method

A multilevel analysis is a regression analysis with structured data. In a simple linear multilevel model, the individuals are level-1units, and the countries are level-2 units. At the individual-level the assumptions of linear multilevel models are identical to the assumptions of a standard OLS regression. In addition to this, the level-1 units are assumed to be nested within the level-2 units in multilevel models (Steenbergen and Jones 2002:221), in other words; the individuals are nested within the countries.

The multilevel model is a combination of the level-1 model: $Y_{ij} = b_{0j} + b_{1j} \cdot x_1 + e_{ij}$, and the two level-2 models: $b_{0j} = g_{00} + g_{01} \cdot z_1 + u_{0j}$ and $b_{1j} = g_{10} + g_{11} \cdot z_1 + u_{1j}$. This is a model with *one* independent variable on level-1 (x) and *one* independent variable on level-2 (z). The **z** variables denote characteristics of the countries that explain the variance of the regression coefficients. The index **i** refer to a level-1 unit, the individuals. The country index **j** denotes that both the intercept b_{0j} and the coefficients b_{1j} are expected to differ from country to country and are therefore referred to as 'random'. The **g** parameters denote the mean satisfaction with democracy for the level-2 units. The mean g_{00} is thus the 'fixed part'. The level-2 residuals u_{0j} and u_{1j} indicates that the intercept (u_{0j}) and the coefficients of the independent variables (u_{1j}) vary between countries. The residuals are negative for countries with less than average satisfaction with democracy, and positive for the countries with more

than average satisfaction with democracy. Combining the level-1 and the level-2 model a single equation expression of the complete multilevel model can be written as:

 $Y_{ij} = g_{00} + g_{01} \cdot z_1 + (g_{10} + g_{11} \cdot z_1) \cdot x_1 + u_{0j} + u_{1j} \cdot x_1 + e_{ij}$. The model includes cross-level interaction between the level-1 and the level-2 variables.

In the analysis of this thesis it was anticipated that the level-2 indicators would explain the variance in citizens' satisfaction with democracy. However, it was not anticipated that the level-2 indicators would explain any variance in the coefficients of the level-1 variables, and therefore, the z- variables can be left out of the second level-2 equation. The regression coefficients of some of the level-1 variables are still allowed to vary. A simplified satisfied expression of the multilevel model for my analysis can thus be written as a combination of the level-1 model: $Y_{ij} = b_{0j} + b_{1j} \cdot x_1 + e_{ij}$, and the two level-2 models: $b_{0j} = g_{00} + g_{01} \cdot z_1 + u_{0j}$ and $b_{1j} = g_{10} + u_{1j}$. A single equation for my thesis can be expressed as:

$$Y_{ij} = g_{00} + g_{01} \cdot z_1 + g_{10} \cdot x_1 + u_{0j} + u_{1j} \cdot x_1 + e_{ij}.$$

Both fixed-effects model and random-effects model include cluster-specific intercepts to account for unobserved heterogeneity. Fixed-effects model means that the intercept is allowed to vary between clusters—in this instance countries—but the effect of the level-1 predictor is assumed to be the same. The fixed-effects model is the basis model in multilevel analysis. The fixed-effects model can be expanded by adding certain variables as random-effects. In a random-effects model both the intercept and the level-1 predictors are allowed to vary between clusters. I will apply a random-effects model to the variables for which I assume the coefficients to vary between the respondents, in relation to their country of origin.

3.2.3 Advantages and challenges to the multilevel model

Individual-level factors, as opinions or attitudes, are likely to be somewhat defined by contextual conditions and common experiences (Steenbergen and Jones 2002:219). When homogeneity within countries is present, multilevel model analysis can be useful. It is generally expected that respondents from the same country, or cluster, have had common influences that can lead to correlations among responses in the same cluster (Rabe-Hesketh

³³ The equation expression indicates a model with only *one* independent variable on level-1 and *one* independent variable on level-2.

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and Skrondal 2008:85). Thus, the respondents in cross-national survey data are not independent observations, but clustered and to some degree duplications of each other. This violates the assumption that the errors are independent, which is an underlying assumption for the standard models for data analysis, such as the OLS regression (Steenbergen and Jones 2002:220), and is an argument for applying a multilevel model to nested data.

By using multilevel analysis we can "capture the layered structure of multilevel data, and determine how layers interact and impact a dependent variable of interest" (Steenbergen and Jones 2002:218). This, however, is most successful when analyzing a large number of clusters, which is a hard criterion to meet when analyzing countries or groups of countries. There are only 18 countries included in the survey data for this investigation. It is not impossible to perform a multilevel analysis on 18 clusters, but it is a critically low number of clusters. Some argue that the random-effects approach should only be used if there are more than 20 clusters in the sample (Rabe-Hesketh and Skrondal 2008:61). Others argue that the variance components are estimated rather poorly when there are less than 50 clusters in the sample (Hox 2009:167).

Another challenge to the multilevel approach is the inclusion of sampling weights. Comparing unweighted and weighted results could help clarify whether the estimation process, type of outcome, or other factors bias the results (Carle, 2009). However, it has been recommended to show caution when including sampling weights in multilevel model analysis (ibid.). One suggestion to the inclusion of sampling weights in the multilevel analysis could be by sample size, based on the single country data sets. However, the sample sizes of the countries in the Latinobarometro survey are rather similar—eleven of the countries have a sample size of 1200 respondents, and the remaining seven countries have a sample size of 1000 respondents—which gives reason to believe that a weighting by sample size would not contribute to a significant change in the results. Another possibility is to use the variables on which the weights are based—or the weights themselves—as predictors in the model, to check whether the interpretations change, when the weights are included as extra covariates (Hox, 2012). This would require access to the weights in the single country data sets, which are not available in the aggregated survey used for this thesis. Anyhow, the mixed model approach in SPSS (Statistical Package for Social Sciences) utilized for this thesis does not deal with sampling weights (Hox, 2012). The results presented in the next chapter are thus based on weighted single country survey data, without including any additional sampling weights for the multilevel analysis.

The gain from utilizing more complex models, like the multilevel model versus a standard OLS regression model has been debated. The argument against using a multilevel model is that *if* a one-level model can give close to exactly the same results, a less complex model is easier to read and comprehend. I will therefore compare the results from the multilevel model with the results from the same analysis with a standard OLS regression model approach to demonstrate the gains and losses of information.

3.3 Key variables

In this part the dependent variable—satisfaction with democracy—and the independent variables will be operationalized. The independent variables chosen are expected to give the most accurate information of the phenomenon satisfaction with democracy based on the hypothesis formulated in the previous chapter, and the data available for this investigation³⁴.

3.3.1 Dependent variable

The dependent variable, satisfaction with democracy, is operationalized by the following question in the Latinobarometro survey:

In general, would you say you are very satisfied, fairly satisfied, not very satisfied or not satisfied at all with the way democracy works in (country)?

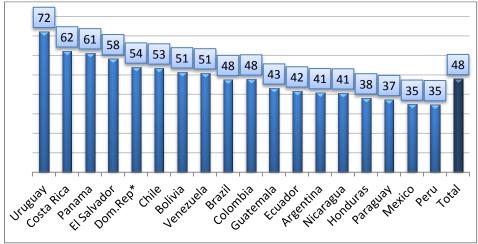
The answers have been converted into a country mean, on a scale ranging from 0 to 100. *Very satisfied* has been given the maximum score of 100, *fairly satisfied* the score 75, *not very satisfied* the score 25, and *not satisfied at all* has been given a score of zero. The respondents that have answered *don't know* can be considered to fall in between the negative and positive categories, and have therefore been placed in the middle, with a score of 50. The respondents that have abstained from answering constitute an insignificant percentage (< 1 %) and are therefore treated as missing values.

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³⁴ See Appendix B for precise wording of the questions used as individual-level independent variables.

The country mean satisfaction with democracy is presented in the following figure:

Figure 3.0: Mean satisfaction with democracy in Latin America (2009) after recoding the dependent variable. The countries are ranged from high to low satisfaction



(Source: Latinobarometro 2009)

3.3.2 Independent variables: Perception of socio-economic conditions

Economic situation

The respondents' perception of economic situation has been operationalized by a variable measuring the respondents' perception of current national economic situation. The responses are arranged from positive to negative values. *Very good* and *good* are coded as 4 and 3, while *bad* and *very bad* evaluation is coded as 1 and 0 respectively. Respondents who have answered *about average* are placed in the middle coded as 2 along with the respondents who answered that they don't know, as the categories do not indicate a clear negative or positive evaluation of current economic situation.

The variable is labeled 'economy' in the analysis.

Economic inequalities

Economic inequality has been operationalized by a question of how fair the respondents find the income distribution in their country. The responses are arranged from positive to negative values. The respondents that think the distribution is *very fair* have been coded as 4, those that find it *fair* has been coded as 3. *Unfair* is coded as 1, while those that find the distribution

very unfair have been coded as 0. The respondents who have answered don't know are placed in the middle coded as 2.

The variable is labeled 'income' in the analysis.

3.3.3 Independent variables: Perception of political conditions

Legitimacy of political institutions and trust

Legitimacy of political institutions has been operationalized by a set of indicators measuring respondents' confidence in various political institutions. Examining the correlation between available survey items revealed a significant overlap between the indicators regarding confidence in the government, the national congress or parliament, the judiciary, the political parties, the public administration and the local government. The indicators weigh on one underlying factor that represents the concept 'democratic institutions'. The variable trust in democratic institutions was then constructed by summing the scores for the indicators. *Very high trust* has been coded as 4, *high trust* as 3. *Low trust* has been coded as 1, while *very low trust* has been coded as 0. The respondents who have answered *don't know* are placed in the middle coded as 2, since the category does not indicate a specific placement on the high-low scale.

The variable is labeled 'trust' in the analysis.

Interest and involvement in politics

The variable measuring the respondents' understanding of political processes or the respondents' urge to know about politics has been operationalized by a question in the Latinobarometro survey asking to what degree the respondents are interested in politics. The respondents who have answered that they are *very interested* have been coded as 4, *moderate interest* has been coded as 3, *low interest* has been coded as 1, and those that have *no interest* have been coded as 0. The respondents who have answered *don't know* are placed in the middle coded as 2, as the category does not indicate a specific placement on the high-low scale.

The variable is labeled 'interest' in the analysis.

Winner versus loser in electoral competition

The variable identifying if the respondents are political *winners* or *losers* are operationalized the same way as it has been done in Anderson and Guillory's studies on satisfaction with democracy in Europe (1997), with an observation of whether or not the party voted by the respondents in the last election corresponds with the party in government. If the respondents' choice of political party in the last election match the party or parties in government, they have been coded with the high value =1. Opposition party or other parties have been coded as 0. The variable only separates between those that are 'winners', and those that are not. The recoded variable does not distinguish between those that voted oppositional parties and those that did not vote at all. Not voting cannot be perceived as a clear support of the party in government, and will therefore count as being a 'loser' in this analysis.

The variable is labeled 'winner/loser' in the analysis.

The total number of respondents that have abstained from answering is relatively low (< 1 %) and the 'no answer' category will be coded as missing³⁵. All scaled variables have been centered to prevent the interaction between the variables to disturb the results in the multilevel analysis.

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I ran another test checking for correlations amongst the 'no answer' responses of the variables. I found only a weak positive association between the questions regarding trust in the democratic institutions. 'Armed forces' were one of the institutions mentioned in the survey. I chose not to include the question regarding trust in 'armed forces' in the index for two reasons. First, the number of respondents that have abstained from answering is too high to code as missing (9.6 %). Second, the index is called *trust* in democratic institutions, and the army and its associated regimes are still far from being considered democratic institutions in many of the Latin American countries. Institutions such as the church and 'television' have also been left out, as the democratic aspect of these institutions can be disputed.

³⁵ I ran tests to check for correlation between the 'don't know' and 'no answer' (DK/NA) responses to all the individual-level questions used as independent variables, to make sure the DK/NA responses of one question did not correlate with the same responses in other questions. I found a strong positive association for all of the questions, because of the high number of 'don't know' responses. The 'don't know' responses were then coded into a middle category for all the variables.

There is no clear pattern to be found when comparing levels of economic inequality (measured by GINI coefficient) and the mean satisfaction with democracy in the different countries (see table 2.1, chapter 2). Some of the countries with high mean satisfaction with democracy, such as Panama and Chile, still have relatively high social inequality. And vice versa, Argentina and Nicaragua that are considered more equal in terms of their GINI coefficients still have a relatively low mean satisfaction with democracy. In addition to this, people normally compare their income to the incomes of those of a reference group—such as fellow citizens—and adjust the expectations thereafter (Verme 2011:2). This gives reason to believe that the effect of this variable, if any, is context-specific. The variable will therefore be added to the multilevel model as a random effect.

The variables measuring the respondents' perception of economic situation and trust in democratic institutions have also been added to the model as random effects. This is because I expect that respondents from the same country might respond more similarly to these questions as a consequence of the political traditions and the economic evolution of their country.

3.3.4 Independent variables: Contextual conditions

Natural Resources

To measure the abundance of natural resources in the Latin American countries I chose to focus on the oil production. This is because oil production is a universal measure, and knowledge of the revenue this production generates will be an underlying common reference. Oil production is operationalized by barrels per day (bbl. /day), a measure used to describe the rate of crude oil production a day. The variable has been divided into four categories, where high production (more than one million bbl. /day) is coded as 1, moderate production (more than 100.000 bbl. /day) is coded as 2, low production (more than 1000 bbl. /day) is coded as 3, and no production (less than 1000 bbl. /day) is coded as 4.

The variable has been labeled 'oil' for the analysis.

Corruption

Corruption is defined as "the abuse of entrusted power for a private gain" (Transparency International), and is measured by Transparency International's yearly Corruption Perception

Index. Their information is derived from 13 different expert and business surveys and is therefore a "survey of surveys" (ibid.). Analyses are based on local surveys conducted by region, combined with analyses made by major institutions like the World Bank, The Economist Intelligent Unit and Freedom House. The index does not represent the actual level of corruption, but rather the perceived level of public and political sector corruption in the countries included in the ranking³⁶. The Corruption Perception Index gives all countries a score on a scale from 0 to 10, where 0 is perceived as highly corrupt and 10 is perceived as very clean.

The variable is labeled 'corruption' in the analysis.

3.3.5 Demographic variables

I control for the socio-demographic variables *sex* and *age* in the analysis. The control variables are added to see if they represent underlying factors that might affect the respondents' satisfaction with democracy. *Sex* has been coded 0 for females and 1 for male respondents. The *age* variable range from 16 years to 98 years and has been recoded into eight categories³⁷.

I have added *density* as a country-level control. Density is the population divided by the total land area of country. I have added the variable because of the vast disparities of density in the Latin American countries, where for example El Salvador has 32 times the density of Bolivia. The most densely populated countries will often have a higher urbanization rate due to small land-area. Countries with high density can be perceived as 'overpopulated' countries, which might be a challenge to the infrastructure, or the access to resources and the common good—such as social benefits—and thus be a strain to the citizens satisfaction of life in general. I am interesting in seeing if this is correlated to satisfaction with democracy.

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³⁶ For a full methodological description see Transparency International.org

³⁷ The categories are coded as follows: Lowest through 20 years are coded as 1, 21-30 years are coded as 2, 31-40 years are coded as 3, 41-50 years are coded as 4, 51-60 years are coded as 5, 61-70 years are coded as 6, 71-80 years are coded as 7, and 81 years through highest age is coded as 8.

Results and findings 4

In this chapter, the findings from the analyses will be presented. This thesis argues that the multilevel method is appropriate for this particular investigation. I will compare the results from the multilevel model approach to results from an OLS regression analysis, to see if a less complex model would give a similar outcome. The multilevel model approach allows for the homogeneity within countries and the heterogeneity between countries to count. The information from the analysis is thus more nuanced than that of a one-level model. However, in a multilevel model the countries are treated as a random sample of countries. An OLS regression approach—including interaction between the individual-level variables and the countries—can specify in which of the Latin American countries the effects of the independent variables matter.

The chapter starts by summarizing the results from the multilevel model. Part 4.2 includes the reviewing of the results in regards to the hypotheses. Finally, the result from the standard OLS regression is presented and discussed in part 4.3.

Findings by multilevel model approach 4.1

Table 4.0 presents the results from the multilevel analysis. The analysis results consist of five models where additional variables are included in each model.

The first model is the intra-class correlation (ICC) model that measures the between-cluster variance. Thus, the first model shows the variance in a model without covariates. The ICC model is used to determine whether or not multilevel analysis is appropriate. The results shows that between-country variation accounts for approximately 10 % ³⁸ of the variance of satisfaction with democracy, which is substantial considering the recommended use of multilevel analysis with an ICC > .05 (Heck et.al 2010:74).

The second model adds the socio-demographic background variable sex and age to the ICC model. The control variable sex is significant (p< .05) in this model, but not significant when adding other independent variables to the analysis, and has little further value as a control variable. The age variable is not significant in this model, but it is significant in all the following models.

 $[\]frac{}{}^{38} 110.29 / (992.21 + 110.29) = 0.10 \text{ (see Table 4.0, model 1)}$

Table 4.0: The results from the multilevel analysis of indicators effect on satisfaction with democracy in eighteen countries

Predictor variables	Model 1 Model 2		Model 3	Model 3 Model 4		Model 5			Model 6				
	b	Std. Error	b	Std. Error	b	Std. Error	b	Std. Error	b	Std. Error	β	b	Std. Error
Intercept	48.33**	(2.49)	47.01**	(2.53)	45.36**	(1.92)	45.89**	(1.61)	30.72**	(3.72)		31.36**	(3.96)
Sex			1.06*	(0.45)	-0.71	(0.42)	-0.35	(0.41)	-0.35	(0.41)		-0.33	(0.41)
Age			0.24	(0.13)	0.34**	(0.13)	0.29*	(0.12)	0.29*	(0.12)		0.28*	(0.12)
Winner/loser					7.91**	(0.50)	5.73**	(0.49)	5.74**	(0.49)	0.06	6.13**	(1.18)
Economy					9.63**	(0.86)	6.26**	(0.47)	6.26**	(0.47)	0.19	6.23**	(0.45)
Interest					1.80**	(0.16)	0.71**	(0.16)	0.71**	(0.16)	0.03	0.68**	(0.17)
Trust							6.80**	(0.45)	6.79**	(0.46)	0.20	6.65**	(0.49)
Income							4.51**	(0.35)	4.51**	(0.35)	0.14	4.46**	(0.34)
Density									0.03	(0.02)		0.03	(0.02)
Oil									1.65	(1.06)		1.51	(1.13)
СРІ									0.25**	(80.0)	0.11	0.23*	(0.09)
Variance components													
Residual	992.21**		991.88**	(9.90)	882.39**	(8.84)	813.15**	(8.20)	813.14**	(8.20)		809.61**	(8.17)
Intercept	110.29**		109.84**	(37.98)	61.28**	(21.36)	41.66**	(14.63)	20.53*	(8.11)		23.14*	(9.17)
Economy					12.03**	(4.48)	2.83*	(1.40)	2.82*	(1.39)		2.41	(1.25)
Trust							2.68*	(1.24)	2.68*	(1.24)		3.23*	(1.45)
Income							1.44	(0.76)	1.48	(0.77)		1.26	(0.70)
Winner/loser												20.46*	(8.57)
Interest												0.056	(0.16)
-2LL	195675.81		195669.06		192285.95		188381.74		188374.92			188321.05	

^{**} Sig. p< .01. *Sig. p< .05. Labels: *Winner/loser* is short for having supported the winning party/winning coalition in last election or not. *Economy* is short for perception of national economy. *Interest* is political interest. *Trust* is short for trust in democratic institutions. *Income* is short for perception of fairness of income distribution in country. *Density* is population density. *Oil* is barrels of oil produced in country per day and *CPI* is corruption perception index. The standardized coefficient β have been added for the significant effects in model 5 (Source: Latinobarometro. 2009).

The third model adds the factors that had an influence on satisfaction with democracy in Europe to model 2. These are the variables regarding respondents' winner/loser status, perception of economic situation in country, and political interest. The results in model 3 (Table 4.0) shows that there is a significant (p< .01) and positive effect (b =7.91) of being a winner in electoral competitions on respondents satisfaction with democracy. Similarly, there are significant (p< .01) and positive effects of perception of economic situation (b =9.63) and political interest (b =1.80). The effects of the variables are in the same direction as the results from previous research on satisfaction with democracy in Europe. This shows that the findings from previous research have relevance in a Latin American context as well.

In the fourth model, I have added trust in democratic institutions and perception of income distribution. These variables were added last of the individual-level indicators, because I anticipated the effect of these variables to be of particular importance to respondents satisfaction with democracy in Latin America. The model shows a significant (p< .01) positive effect (b =6.80) of trust in democratic institutions on respondents satisfaction with democracy. As expected, there is also a significant (p< .01) positive effect (b =4.51) of perceiving the income distribution to be fair (model 4, Table 4.0).

The fifth model adds the country-level variables to model 4, and thus includes all the individual-level indicators and the country-level indicators in this investigation. The drop in the effects of winner/loser, economy and interest from model 3 to model 5 comes from controlling for additional variables. Density is added as a control variable³⁹. The parameter estimate for density is not significant, nor is the effect of the country-level variable oil production. The variable measuring corruption is the only country-level variable that has had a significant effect on respondents' satisfaction with democracy⁴⁰.

The parameter estimates (b) of the variables with significant effect on respondents satisfaction with democracy in model 5, have been converted to standardized coefficients (beta) to facilitate the interpretation of the effects, by the formula: beta = $\mathbf{b} \cdot \mathbf{s_x/s_y}$. In the formula, x

³⁹ Since *density* is a country-level control, it is added along with the country-level indicators.

⁴⁰ Previous research indicated that the effect of the variables trust and corruption were correlated (see Moreno, chapter 1, part 1.3). I ran a test to see if I could find the same result, but the interaction variable between trust and corruption did not turn out significant in this analysis, and is not commented any further.

represents the standard deviation of the different independent variables and y represents the standard deviation of the dependent variable (Hox 2010:22). These results and the rest of the findings in model 5 will be further commented under the reviewing of results in part 4.2.

Comparing model 5 to the ICC model, we see that the independent variables have reduced the level-1 variance in satisfaction with democracy by 18 % ⁴¹. The independent variables have also reduced the between-country (level-2) variance. An estimation of this reduction indicates that the independent variables explain more than 80 % of the variance of the intercept ⁴², which shows that the variables are relevant when predicting the level-2 variance in satisfaction with democracy.

4.1.1 Model 6: An explorative approach

All comments regarding the explorative approach are based on the information in Table 4.0, model 6. In this model, I let the coefficients of the variables previously added only as fixed effects vary between countries as well. This concerns the winner/loser variable and the political interest variable. The comments regarding model 6 only serve as an explanation of this particular experiment, while model 5 is the basis for testing the hypotheses.

In chapter 3 (part 3.2.2), I argued that I would add all individual-level variables, for which I expected the effect to vary between countries, as random effects in the analysis. I then chose to add the variables measuring perception of economic situation, trust in democratic institutions and perception of fairness regarding income distribution as random effects in the model. This was because I expected these socio-economic and political predictors to be influenced by decision-making processes and historical development of the individual countries.

For the variables measuring winner/loser status and political interest I expected the effect to be fixed. In other words, I did not expect that neither the effect of having voted for the party that won the election, nor being interested in politics would give an increase in satisfaction with democracy for respondents in some countries, but not in others. The choice to estimate the effects of the selected variables as random in model 5 was based on my subjective reasoning. In model 6, I therefore wanted to take an explorative approach and add all

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⁴¹ (992 21-813 14) / 992 21

⁴² (110.29-20.53) / 110.29 - The country mean for each independent variable differs immensely, and could contribute to the high percentage turnout of explained level-2 variance.

individual-level variables as random effects, to see how this would affect the outcome of the analysis.

The results from the experimental analysis show that being a winner or a loser in electoral contest indeed should have been added as a random effect. There is a statistically significant (p<.05) variance of the effect between countries. This means that having voted for the party or the president in power gives an increase in citizens' satisfaction with democracy, *and* that the effect is different for the respondents depending on which country they are from.

The variance component for being interested in politics did not turn out significant, and that gives reason to believe that high political interest contributes to an increase in satisfaction with democracy in Latin America, no matter which country the respondents are from.

When adding winner/loser status and interest in politics as random effects in model 6, the variance component for the perception of economic situation is no longer significant.

4.2 Reviewing the results

All comments regarding the testing of the hypotheses in this part are based on the highlighted information in model 5, Table 4.0.

4.2.1 Socio-economic conditions (H1 and H2)

The socio-economic factors have the strongest effects on respondents' satisfaction with democracy of the factors tested in this investigation.

Evaluation of economic performance is important in determining respondents' satisfaction with democracy in Latin America, as well as in Europe. The coefficients for perception of economic situation show that the variable has a significant (p<.01) positive effect (b = 6.26) on respondents' satisfaction with democracy. This confirms the hypothesis **H1**, that respondents with a positive perception of economic situation are more satisfied with democracy. Since the variable was operationalized by respondents' perception of current *national* economic situation, I expected that the results would be country-specific, and the variable was added to the model as a random effect. This was confirmed by the analysis, as the variance component of economic situation was significant (p<.05).

Previous research on satisfaction with democracy in Western Europe has shown that economic performance has an impact on citizens' satisfaction with the way democracy works (Anderson and Guillory 1997:72). The global economic recession in 2008 reached Latin America at a time where several years of strong economic growth had left the region well equipped for economic fluctuation (Malamud et.al 2009:15). This may have contributed to the positive perception of democracy.

Income inequality has been found to have a consistent and negative effect on life satisfaction worldwide (Verme 2011:17). In Latin America, the extreme income inequalities have made this a factor that affects the citizens' satisfaction with democracy. The respondents who find the income distribution to be fair are also more satisfied with democracy ($b = 4.51^{43}$). This confirms the hypothesis **H2**, that income distribution does affect respondents satisfaction with democracy, and that a perception of fair income distribution gives an increase in satisfaction with democracy.

It is not possible to detect any variation between the countries when measuring the effect of income distribution in the analysis. The variance component for the income variable was not significant. I mentioned earlier (chapter 2, part 2.2.2) that Latin America is the region with the world's highest income inequality, and that the GINI coefficient for the Latin American countries holds an extremely high average. There are only small differences between the countries. This can be one explanation of why the effect of this variable on respondents' satisfaction with democracy differs little from one country to another.

4.2.2 Political conditions (H3, H4 and H5)

Trust in democratic institutions has the absolute strongest effect on respondents satisfaction with democracy of the factors tested in this investigation 44 . The effect is significant (p< .01) and, as expected, in the positive direction (b = 6.79) indicating that the respondents who have more trust in democratic institutions also are more satisfied with democracy. This supports the hypothesis **H3**, that trust in democratic institutions increases the respondents' satisfaction with democracy.

The effect is significant (p< .01).

⁴⁴ (Beta= .20, see model 5, Table 4.0).

Political distrust has been said to be a part of the 'soul' of Latin America, as a response to the history of the region with the Spanish and Portuguese colonization followed by the rule of large landowners through authoritarian regimes (Lagos 1997:126). The continuing social pattern, such as hierarchical structures of authority and passiveness of citizens towards the patron, are still part of the political culture in Latin America (Lagos 2001:142). This may be an explanation to the recurrence of hyper-presidentialism and the continuing support for hyper-presidential systems in Latin America. The ancient form of patron-client relationship in Latin America was peasants who worked and obeyed their patron in exchange of a small wage and a promise of protection. The contemporary form of patron-client relationship refers to the distribution of state resources—financial support, jobs, contracts and services—in exchange for political loyalty and support from the citizens (Roniger 2004:355). "People are accustomed to hoping that 'someone' will solve their problems" (Lagos 2001:142). While this 'someone' was the patron in the past, the citizens now look to the democratic regime for a solution (ibid.). When the citizens expectations are that the democratic regime will solve all of their problems, it makes is hard for the regime to meet the expectations. The analysis shows that the respondents, who believe that the existing political institutions will solve their problems and attend to the needs of the citizens, are more satisfied with democracy.

The variance component of trust in democratic institutions is statistically significant (p<.05). In spite of a regional 'heritage of distrust' (Lagos 1997:129), the results indicate that the political and historical heritage shared by fellow countrymen will often result in a response that is more similar than the response of those from another country.

Political interest is also a statistically significant (p<.01) and positive predictor (b = 0.71) of satisfaction with democracy in Latin America. This confirms the hypothesis **H4**. The findings coincide with the findings in previous research on satisfaction with democracy in Europe. The effect of the variable is moderate to low in both regions. However, the effect was only significant in two of eleven countries in the study on Western Europe (Anderson and Guillory, 1997). In Latin America, interest in politics does have a positive effect on respondents' satisfaction with democracy, maybe more so than in Europe.

Another finding that coincides with previous research is that electoral outcome has an impact on the levels of satisfaction with democracy (see Anderson and Guillory, 1997 and Linde and Ekman, 2003). There is a significant (p< .01) positive effect (b = 5.74) of being a 'winner' in electoral competitions in Latin America. This confirms the hypothesis **H5**, that the respondents having voted for a party in government⁴⁵ (i.e., the 'winners') tend to be more satisfied than those who did not vote, or voted for a party that did not make it into government (i.e., the 'losers'). The effect is moderate (beta = .06).

A remark to this observation is that the survey data used in this investigation compares the winners and losers *after* the election. It is thus not measured whether it is the fact of winning, *per se*, that generates the satisfaction with democracy. Prior studies has shown that in comparing the voters satisfaction with democracy before and after an election, the 'winners' are more satisfied than the 'losers' with the way the democracy works (Blais and Gelineau 2007:435). This is consistent with my findings in this investigation, and the findings in the previous research I used to formulate the hypothesis (see Anderson and Guillory, 2007, Linde and Ekman, 2003). However, the eventual winners of the election have a tendency to be more satisfied than the eventual losers, even before the election takes place (Blais and Gelineau 2007:435), which indicates that it is not just the actual election outcome that determines the winners' satisfaction with democracy (ibid.).

Another remark to the observation is that prior investigators (Blais and Gelineau) have found that satisfaction with democracy increases after an election for both losers and non-voters, as well as the winners of the election (2007:437), suggesting that "the end of the electoral cycle has a positive effect on everyone's evaluation of the democratic process" (ibid.). This can indicate that the attitudes towards democracy are related to the cycle of electoral process. The data in which this thesis is based on does not offer 'before and after' data, and thus do not open for further analysis to control if these additional findings are valid in a Latin American context.

4.2.3 Contextual conditions (H6 and H7)

When operationalizing an abundance of natural resources by oil production, it is not possible to detect any statistically significant effect (on a 5% level) of this variable on respondents'

⁴⁵ The winning party refers to a party that made it into government, or kept its governing position in the election.

satisfaction with democracy in the analysis. Neither **H6** nor **H6'** can thus be confirmed. This could be related to the operationalization of the variable, and does not mean that there is no connection between the countries access to natural resources and satisfaction with democracy in real life. The operationalization was based on the assumption that oil is the most universally recognizable example of a natural resource, which in retrospect could have been said to be an oversimplification of the presence of natural resources in a country.

The assumption that corrupt practices are a part of the Latin American political culture (Moreno, 2003) might be correct. The baggage the present democratic regimes carry from former less-democratic regimes can help explain why it is so difficult to fight the widespread corruption in the region. However, the results shows that there is a significant (p< .01) effect (b = 0.25) of corruption on citizens satisfaction with democracy. Considering the placement of the countries on the corruption perception index (0 is highly corrupt and 10 is very 'clean') the positive effect in the analysis indicates that the respondents in countries that are perceived 'clean' in terms of corruption tend to be more satisfied with democracy. Consequently, the respondents in countries with more corruption are less satisfied. This supports the hypothesis **H7**, that corruption is detrimental to citizens' satisfaction with democracy.

There are some challenges to the operationalization of the corruption variable. Corruption was operationalized by the country score on Transparency International's Corruption Perception Index (see chapter 3, part 3.3.4). The intended result of the index is to estimate the extent of corruption in the world and compare the differences from one year to the next, by giving each country a final score. However, as specified in chapter three, the index is still based on what people *think* about corruption in their country, and is not—nor is it presented by Transparency International to be—the *actual* levels of corruption. Other similar indices (e.g. by the World Bank) use the same methodological approach to estimate corruption.

Some scholars will argue that the index is a relative 'objective' estimate of the incidence of corruption in a country, although survey based (Kotzian 2010:28). Others find that the ranking of the countries simplify a complex phenomenon far too much (Søreide 2006:8). This is based on the argument that there is no reason to expect that the countries with a perceived high level of corruption are indeed the most corrupt countries. "The unreliability of the Corruption Perception Index as an indicator for actual extents of corruption implies that countries can be perceived as less or more corrupt than they actually are" (Søreide 2006:7). Following this reasoning, it can be difficult to make any generalizations about how the corruption levels in

the Latin American countries actually affect citizens' attitudes towards democracy, based on the operationalization of the variable in this thesis.

Anyhow, the observation that low corruption levels in country have a positive effect on citizens' attitudes towards democracy was as expected. The results indicate that increased transparency in economic and political processes could contribute to higher levels of satisfaction with democracy in the Latin American countries, and eventually help clear the image of Latin America as being a region with lenience towards corrupt practices.

4.3 A standard OLS regression approach

I ran my variables through a standard OLS regression including dummy-coded country, to compare the results from the multilevel model to those of a one-level model. The country-level variables will hereunder be called contextual variables as the standard OLS regression does not separate between level-1 and level-2 units.

4.3.1 OLS regression: Variance analysis

The individual-level variables were added to the model in the same order as in the multilevel model: The first model includes the control variables sex and age, model 2 adds the variables winner/loser status, perception of economy and political interest, and model 3 adds trust in democratic institutions and perception of income distribution. Model 3 includes all the individual-level variables.

The contextual variables and the country dummies are overlapping and will be estimated in two different models, model 4A: context and model 4B: country. Model 4A adds the control variable density, and the remaining contextual variables oil production and corruption to model 3. Model 4B adds the dummy-coded country variables to model 3, instead of the contextual variables.

Uruguay was chosen as the land of reference. This is because Uruguay has most years on the top of the list of mean satisfaction with democracy in a long-term perspective, and is the country with the absolute best outcome in the survey poll of 2009.

Table 4.1: A summary of the OLS regression model, variance analysis

			R Square
Model	R	R Square	Change
1	.03 (33.11)	.00	.00
2	.38 (30.69)	.14	.14
3	.47 (29.21)	.22	.08
4A context	.49 (28.91)	.24	.02
4B country	.50 (28.65)	.25	.03

(Std. Error in parenthesis, all estimates significant (p<.01). Source: Latinobarometro 2009).

The table shows R = .49 for model 4A, and R = .50 for model 4B. This means moderate to relatively strong correlation between measured and predicted satisfaction with democracy for both models. The statistically explained variance (R Square) for model 2 ($R^2 = .14$) shows that the winner/loser status, perception of economy and political interest explain approximately 14 % of the variance in the dependent variable, when added first.

The individual-level variables combined (model 3) explain more of the variance in satisfaction with democracy $(22\%^{46})$, than the contextual variables in model 4A and the country variables in model 4B (2% and 3% respectively⁴⁷). We know from the ICC model in the multilevel analysis that the between-country variation account for approximately 10 % of the variance in satisfaction with democracy (see model 1, Table 4.0). In model 4B country, the unique contribution from the country variable is 3%, as a consequence of adding the other individual-level variables first.

Under 'experiences and expectations' in chapter two, I insinuated that I expected the variables measuring trust in democratic institutions and perception of income distribution to be particularly important predictors of satisfaction with democracy in Latin America. In the following table (4.2), I have therefore made two versions of the variance analysis of the OLS regression presented in table 4.1. This is to find the unique contribution of the effect of the trust and income variables.

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⁴⁶ R Square model 2+ 3 (.22)

⁴⁷ R Square change (.02) for the contextual variables (model 4A) and R Square change (.03) for the country variables (model 4B).

Table 4.2: A comparison of the unique contribution of the effect of the variables deducted from previous research (winner/loser, economy and interest), to the remaining individual-level variables (trust and income).

(A) Model	R	R Square	R Square Change	
2.1	.38 (30.69)	.14	.14	
3	.47 (29.21)	.22	.08	

(B)	R	R Square	R Square Change	
Model				
2.2	.42 (30.03)	.18	.18	
3	.47 (29.21)	.22	.04	

(Std. Error in parenthesis, all estimates significant (p<.01). Source: Latinobarometro 2009. Model 1, measuring the effect of the control variables sex and age is identical to model 1 in table 4.1 and is left out of this illustration).

Model 2.1 is identical to model 2 in table 4.1, measuring the unique contribution of the effect of the variables *winner/loser*, *economy and interest*. Model 2.2 on the other hand, adds the variables *trust* and *income* first of the independent variables. Model 3 still includes all the individual-level controls and variables. The table 4.2 shows R² change from (A) model 2.1 to model 3, and (B) from model 2.2 to model 3.

The R square change from model 2.1 to model 3 is .08. Compared to the R square change from model 2.2 to model 3, which is .04, this indicates that the unique contribution of the effect of the variables *trust* and *income* is larger than the unique contribution from the variables *winner/loser*, *economy and interest*. Trust in democratic institutions and perception of income distribution explains approximately 18 % of the variance in satisfaction with democracy when added first. This confirms that trust in democratic institutions and perception of income distribution explain more of the variance in the dependent variable, than the variables deducted from previous research on satisfaction with democracy in Europe.

4.3.2 Multilevel model versus OLS regression

To confirm or invalidate the expectation that the multilevel model is the appropriate for this investigation, a simpler model was applied for comparison. Table 4.3 displays the coefficients from the OLS regression along with the coefficients from the multilevel analysis:

Table 4.3 Coefficients from the OLS regression model 4A *context*, compared to the results from the multilevel analysis, model 5 (from table 4.0).

	OLS regression			Multilevel regression			
	В	Std. Error	Beta	В	Std. Error	Beta	
(Constant)	32.35**	.83		30.72**	3.72		
sex	58	.41	01	35	.41		
age	.35*	.12	.02	.29*	.12		
winner/loser	6.28**	.48	.08	5.74**	.49	.06	
economy	6.68**	.25	.19	6.26**	.47	.19	
interest	.73**	.16	.03	.71**	.16	.03	
trust	7.27**	.24	.22	6,79**	.46	.20	
income	4.88**	.20	.16	4.51**	.35	.14	
density	.03**	.00	.06	.03	.02		
oil	1.45**	.20	.05	1.65	1.06		
СРІ	.21**	.02	.09	.25**	.08	.11	

(*sig<.05, **sig<.01, Source Latinobarometro 2009)

The results in the OLS regression are similar to those we were given by the multilevel model approach. The control variable *sex* is not significant, but all remaining variables, both the individual-level and the contextual, are statistically significant (p<.01). The standardized coefficients tell us that the effects of trust in democratic institutions, perception of economic situation and perception of income distribution, contribute to the highest increase in satisfaction with democracy.

All the individual-level and contextual-level variables have a significant (p<.01) positive effect on satisfaction with democracy. So does the effect of *oil*, the variable measuring oil production. In the multilevel model the effect of oil production did not turn out significant. However, the results from a standard OLS regression model confirm the hypothesis **H6'**, that an abundance of natural resources have a positive effect on satisfaction with democracy. The results regarding oil production from the OLS regression model would thus lead to a different interpretation than that of the results from the multilevel model. The results from the OLS regression also show statistical association between the effect of the control variable *density* and satisfaction with democracy, which was not detected in the multilevel model.

This illustrates the difference between a one-level regression analysis, such as the standard OLS regression and the multilevel analysis. A one-level analysis places the characteristics of the level-2 units on equal terms as the characteristics of the level-one units. The effects of the level-2 variables turn out significant because the test is based on all the level-1 units—20204 respondents— in the survey. This is not correct. The significance of level-2 variables should be tested based on number of level-2 units—18 countries—which would give a more correct measure. The standard errors of the estimates are generally higher in multilevel analysis. This is because the observations are clustered and to some degree duplications of each other (Steenbergen and Jones 2002:220), meaning that the number of units—statistically speaking—are fewer than the actual number of level-1 units in the data. The clustering of the observations cause an underrating of the standard error of the parameter estimates in OLS regression. The assumption that the units are independent when they in fact are nested, can lead to an interpretation of results as statistically significant, when they are not. The multilevel approach is thus more accurate when using nested data.

4.3.3 OLS regression: Interaction between independent variables and countries?

Interaction between the origin of the respondents and their responses to the questions in the survey is present if the effect of the individual-level variables varies depending on the country. The multilevel model treats the countries in the investigation as a random sample of countries. If there is a significant interaction between the independent variables and the countries, the OLS regression will also tell us in which countries the interaction is detected. As the multilevel analysis revealed that the effects of the variables measuring perception of economic situation, trust in democratic institutions and winner/loser status (model 5 and 6, Table 4.0), it is expected that the interaction variables regarding these variables will be significant in the OLS analysis as well. Table 4.4 shows an excerpt of the results from the interaction analysis:

Table 4.4: Coefficients from the OLS regression model 4B country, with the interaction variables included ⁴⁸.

	В	Std. Error
(Constant)	60.32**	1.31
sex	30	.41
age	.27*	.12
winner/loser	5.32**	1.92
economy	2.93*	1.24
interest	50	.60
trust	8.17**	.97
income	3.35**	.83
(Country)	**	

(*sig<.05, **sig<.01, Source Latinobarometro 2009)

Uruguay is still the country of reference, being the country with the absolute highest mean satisfaction with democracy in 2009. The coefficients for dummy-coded country are all significant, and will be further commented on in the following:

The covariance estimate for being interested in politics did not turn out significant in the explorative model 6 of the multilevel analysis (see part 4.1.2 above). Interestingly enough, the interaction variable between the effect of political interest on respondents' satisfaction with democracy and countries, still turned out significant for three of the 18 countries in the interaction analysis (Bolivia, El Salvador and Guatemala).

We can see a similar tendency for the variable measuring how fair the respondents find the income distribution in their country. Comparatively, the random effect of this variable was not significant in the multilevel model (model 5, Table 4.0). Anyhow, the interaction variable between the effect of income distribution and countries is statistically significant (p<.01). The interaction analysis shows a positive correlation of the effect of perception of income distribution on satisfaction with democracy for respondents from Mexico, Nicaragua, Paraguay and Venezuela.

There was significant interaction between the effect of other independent variables and countries as well. The effect of having a winner/loser status on satisfaction with democracy is statistically significant in Bolivia, Chile, Honduras and Peru. The most positive relation was

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⁴⁸ See the complete interaction analysis (Appendix A, table 4.5) for details.

detected for Bolivia, which indicates that the effect of being a winner in Bolivia decreases the gap between Bolivia and Uruguay in citizens' satisfaction with democracy.

In Honduras we were able to detect the absolute strongest negative relation. The effect (b = -27.29) of being a winner or loser on satisfaction with democracy for respondents from Honduras is far more negative compared to the effect of this variable on satisfaction with democracy in Uruguay. Consequently, the effect of the winner/loser variable increases the gap between Honduras and Uruguay even further, in regards to citizens' satisfaction with democracy. The political crisis in Honduras culminated with the coup d'état in June 2009. The interviews for the data used in this thesis were conducted prior to the new presidential election that took place in November 2009. It is therefore likely to expect that this could have contributed to the difficulty of the Honduran respondents to identify with any 'winner' of the electoral contest, when the elected president had been ousted by a military coup initiative. The effect of trust in democratic institutions on respondents' satisfaction with democracy was significant in Bolivia, El Salvador and Guatemala. This effect was negative, indicating that the effect of trust in democratic institutions increases the gap between these three countries and Uruguay, in regards to satisfaction with democracy. In countries where citizens display low levels of trust in institutions, low levels of satisfaction can be a sign of future democratic difficulty or instability (Lagos 2001:141). Both El Salvador and Bolivia had more satisfied than dissatisfied respondents in the survey poll of 2009 (see chapter 2, part 2.1.1.). Guatemala on the other hand was amongst the bottom three countries in regards to mean satisfaction with democracy. In formulating a hypothesis on the legitimacy of the political system and trust in democratic institutions in chapter 2 (part 2.3.1), I used Guatemala as an example of a Latin American country in which political institutions have been an 'empty shell', present only to attend to the needs of the authorities. This implies that the inability—or disinterest—to establish legitimate political institutions can present an obstacle for attitudes towards democracy evolving in a positive manner. In the long run this can pose a threat to the public support for the democratic regime.

The effect of perception of economic situation on citizens' satisfaction with democracy was statistically significant in more than half of the countries in the investigation⁴⁹. The effect was positive, meaning that it contributes to a reduction of the gap between these countries and Uruguay, in regards to satisfaction with democracy.

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⁴⁹ The countries were Argentina, Bolivia, Brazil, Colombia, Costa Rica, Ecuador, Paraguay, Peru, Venezuela and the Dominican Republic.

Since the variables measuring political interest and perception of income distribution were not expected to vary between the countries⁵⁰, the regression analysis with the interaction variables has added another dimension of interpretation to the explanation.

In testing the significance of the interaction between the effect of the variables and the countries, 111 separate analyses were completed (see Appendix A, table 4.5). The results gave 34 statistically significant effects on a 1 % level, and 13 additional significant effects on a 5 % level. It is thus no reason to suspect a 'false positive' outcome (type I error).

The results from both the multilevel analysis and the OLS regression interaction analysis contribute in explaining the factors of importance for citizens' satisfaction with democracy in 2009.

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⁵⁰ Political interest was not expected to vary based on my reasoning, which was confirmed by the results in the explorative model 6 (table 4.0). The perception of income distribution was expected to vary based on my reasoning, but this was invalidated by the insignificant variance component of this variable in model 5, table 4.0.

5 From Satisfaction to Support: Concluding remarks

In the introduction of this thesis, I argued that support for democracy is indispensable for the survival of democracy as the ruling regime. Satisfaction with democracy is important for generating support. The majority—over 60%—of the population in Latin America would say that democracy is preferable to any other kind of government, when asked in an opinion survey. We still saw that close to half of the respondents that would prefer democratic rule are so called 'genuine proven democrats'. This means that they would support democratic rule, even if they are not satisfied with what goes under the 'label' of democracy in their country.

This thesis asked which factors that can influence citizens' satisfaction with democracy, to see which conditions that could be favorable or detrimental in developing attitudes towards democracy. Both the multilevel analysis and the one-level interaction analysis displayed that the effect of several of the factors vary between the countries in the region. This confirms that people are influenced by the particular political context to which they are exposed. Based on individual-level and country-level evidence from eighteen Latin American countries, I found that trust in democratic institutions is the most determining factor of respondents' satisfaction with democracy in Latin America. This finding diverges from the results from previous research on satisfaction with democracy in Europe, where the effect of trust turned out vague or ambiguous.

Almost equally important for democratic attitudes in Latin America, is the respondents' perception of the economic situation in their country. Other attitudinal differences, such as political interest and party preference also affect citizens' satisfaction with democracy in Latin America. These results are consistent with results from previous research on satisfaction with democracy in Europe. This reinforces the idea that there are certain 'universal' determinants of citizens' satisfaction with democracy. The perception of economic prosperity and being a 'winner' in electoral contests appears to be two such factors.

Further, this investigation shows that there are yet other factors of particular importance for citizens' satisfaction with democracy in Latin America. The effect of income distribution appears to be a direct consequence of the extremely unjust income situation in Latin America. The citizens that find the income distribution in their country to be somewhat fair are clearly

more satisfied with what goes under the label of democracy in their country. Corruption is also fundamental in shaping the public opinion on democracy in Latin America. Previous research suggests that there is a wide cultural basis for the justification of corruption in Latin America (Moreno, 2003). If the beneficiaries of corrupt practices are amongst the political or economic elites, eliminating the corrupt elements can be a slow process. Anyhow, the results from this thesis display a very significant proof of the negative impact corruption has on citizens' satisfaction with democracy in Latin America.

The great economic inequalities and the battle against corruption are tremendous challenges for Latin America. These factors are typical examples of the kinds of challenges presented in developing parts of the world. Although democracy may be the type of regime best equipped to meet these challenges in the long run, the survival of the regime is still dependent on public support. Social equality and transparency in political processes can be seen as two such fundamental aspects of attaining support for a democratic regime. If these demands go unattended for longer periods of time, this can increase the chances of dissatisfaction with democracy also for citizens that consider themselves 'democrats'. Dissatisfaction over time might deteriorate the public support for the democratic regime and be a threat to the survival of democracy in Latin America, and thus other regions with brief democratic traditions.

It is evident that the Latin Americans are marked by their past. This thesis has referred to characteristics such as distrust and acceptance of corrupt practices as a part of the 'political culture' of Latin America. When comparing Latin America to other regions such as Europe, the citizens are less satisfied with democracy. But when comparing the Latin America of today to the Latin America of the previous decades, the citizens are more satisfied with democracy than before. This can indicate a maturing of democracy in the region. The important question is whether or not this trend will lead to increased levels of support for democracy in the years to come.

5.1 Recommendation for further research

As mentioned in the introduction, the political landscape of Latin America is in constant motion. There have been changes since the 2009 survey poll was conducted, the data utilized for this investigation. It would be interesting to pursue the investigation over the following years to see if for example the recent economic growth and political prosperity of Brazil has led to an increase in citizens' satisfaction with democracy. Brazil was in 2011 the world's

seventh wealthiest country, with stable economic growth, relatively low inflation rates and improvements in social well-being (World Bank). With a reference to the findings in this investigation, it is likely that these factors would continuously increase the Brazilians satisfaction with democracy.

There are certain factors that this thesis did not focus on that could also be expected to influence citizens' attitudes towards democracy. The escalation of drug-related crimes and impunity for former presidents—or high ranked politicians—that have violated their positions can be two examples of additional factors that challenge the respondents' satisfaction with democracy in Latin America. I will leave it up to future investigators to see how drug-related crime and impunity could lead to dissatisfaction with democracy and maybe be parts of the explanation to why such a large percentage of the 'democrats' in Latin America still not feel satisfied with the democracy in their country.

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Appendix A: Table 4.5

Table 4.5: Results from the analysis of interaction between the independent variables and the country variables (complete)

		Std.	
Parameter	В	Error	Sig.
Intercept	60.32	1.31	.00
sex	30	.41	.46
age	.27	.12	.03
Winner/loser	5.32	1.92	.01
economy	2.93	1.24	.02
interest	50	.60	.40
trust	8.17	.97	.00
income	3.35	.83	.00
Argentina	-13.78	1.66	.00
Bolivia	-19.72	1.65	.00
Brazil	-17.43	1.65	.00
Colombia	-16.86	1.53	.00
Costa Rica	-7.17	1.72	.00
Chile	-13.14	1.61	.00
Ecuador	-21.28	1.56	.00
El Salvador	-7.21	1.71	.00
Guatemala	-14.92	1.62	.00
Honduras	-17.12	1.72	.00
Mexico	-21.50	1.57	.00
Nicaragua	-17.85	1.81	.00
Panama	-4.55	1.71	.01
Paraguay	-23.86	1.51	.00
Peru	-22.94	1.61	.00
Venezuela	-14.20	1.57	.00
Dominican Republic	-7.83	1.71	.00
Uruguay			

(Continues on the following page)

Argentina * winner	-5.27	3.06	.09
Bolivia * winner	9.56	2.72	.00
Brazil * winner	-3.07	2.57	.23
Colombia * winner	4.18	2.81	.14
Costa Rica * winner	5.23	2.75	.06
Chile * winner	5.77	2.83	.04
Ecuador * winner	2.68	2.78	.33
El Salvador * winner	06	2.78	.98
Guatemala * winner	3.01	3.41	.38
Honduras * winner	-10.17	2.75	.00
Mexico * winner	23	3.09	.94
Nicaragua * winner	5.05	3.17	.11
Panama * winner	-2.65	2.70	.33
Paraguay * winner	2.77	2.96	.35
Peru * winner	8.79	4.05	.03
Venezuela * winner	-4.85	2.65	.07
Dominican R.* winner	-1.75	2.78	.53
Argentina * economy	4.01	1.65	.02
Bolivia * economy	5.90	1.70	.00
Brazil * economy	5.48	1.55	.00
Colombia * economy	4.30	1.63	.01
Costa Rica * economy	3.28	1.64	.05
Chile * economy	3.23	1.74	.06
Ecuador * economy	4.02	1.63	.01
El Salvador * economy	.79	1.63	.63
Guatemala * economy	3.00	1.64	.07
Honduras * economy	.31	1.60	.85
Mexico * economy	2.82	1.62	.08
Nicaragua * economy	1.53	1.69	.37
Panama * economy	2.49	1.66	.13
Paraguay * economy	3.67	1.59	.02
Peru * economy	3.41	1.73	.05
Venezuela * economy	6.98	1.71	.00
Dominican R.* economy	3.04	1.55	.05
Argentina * interest	1.10	.87	.21
Bolivia * interest	2.55	.87	.00
Brazil * interest	.90	.87	.30
Colombia * interest	.89	.88	.31
Costa Rica * interest	1.08	.93	.24
Chile * interest	.80	.92	.38
Ecuador * interest	1.18	.92	.20
El Salvador * interest	1.22	.93	.19
Guatemala * interest	2.53	.93	.01
Honduras * interest	2.49	.88	.01

Mexico * interest	.60	.88	.50
Nicaragua * interest	.33	.99	.74
Panama * interest	1.37	.88	.12
Paraguay * interest	1.35	.84	.11
Peru * interest	.44	.89	.63
Venezuela * interest	.87	.86	.31
Dominican R.* interest	1.47	.89	.10
Uruguay * interest			
Argentina * trust	1.17	1.45	.42
Bolivia * trust	-6.44	1.47	.00
Brazil * trust	-1.97	1.34	.14
Colombia * trust	-1.11	1.34	.41
Costa Rica * trust	-2.30	1.47	.12
Chile * trust	.32	1.38	.82
Ecuador * trust	-2.70	1.46	.07
El Salvador * trust	-3.38	1.40	.02
Guatemala * trust	-4.08	1.47	.01
Honduras * trust	-1.12	1.36	.41
Mexico * trust	.54	1.40	.70
Nicaragua * trust	-2.67	1.41	.06
Panama * trust	-2.37	1.40	.09
Paraguay * trust	-2.09	1.37	.13
Peru * trust	83	1.52	.59
Venezuela * trust	2.67	1.37	.05
Dominican R.* trust	-2.67	1.41	.06
Argentina * income	73	1.43	.61
Bolivia * income	2.07	1.17	.08
Brazil * income	.76	1.19	.53
Colombia * income	.65	1.17	.58
Costa Rica * income	1.13	1.17	.34
Chile * income	.24	1.20	.84
Ecuador * income	.26	1.16	.82
El Salvador * income	.91	1.20	.45
Guatemala * income	1.18	1.28	.36
Honduras * income	1.44	1.17	.22
Mexico * income	2.59	1.23	.04
Nicaragua * income	2.94	1.23	.02
Panama * income	-1.17	1.18	.32
Paraguay * income	3.25	1.17	.01
Peru * income	97	1.32	.46
Venezuela * income	3.18	1.21	.01
Dominican R.* income	1.00	1.16	.39

Appendix B: Technical information

The specific wording in the questions used as independent variables are as follows:

Economic situation:

Q3ST.A In general, how would you describe the country's present economic situation? Would you say it is...? (Very good, good, about average, bad, very bad, don't know, no answer)

Q3ST.A ¿Cómo calificaría en general la situación económica actual del país? Diría Ud. que es...(Muy Buena, Buena, Regular, Mala, Muy Mala, No Sabe, No responde)

Economic inequalities:

Q14ST. How fair you think that income distribution is in (country)? (Very fair, fair, unfair, very unfair, don't know, no answer)

Q14ST. ¿Cuán justa cree Ud. que es la distribución del ingreso en (país)?(Muy justa, Justa, Injusta, Muy Injusta, No sabe, No responde)

Legitimacy of political institutions and trust:

Q26ST. Please look at this card and tell me, how much trust you have in each of the following groups, institutions or persons: a lot (1), some (2), a little (3) or no trust (4)? (Don`t know (8), No answer (0)).

Q26ST.C. Political parties...1 2 3 4 8 0

Q26ST.D. Armed forces.......1 2 3 4 8 0 **Q26ST.E.** Public Admin.......1 2 3 4 8 0

Q26ST.F. Local government....1 2 3 4 8 0

Q26ST. Por favor, mire esta tarjeta y dígame, para cada uno de los grupos, instituciones o personas mencionadas en la lista ¿cuánta confianza tiene usted en ellas: mucha(1),

algo(2), poca(3) o ninguna(4) confianza en...? (No sabe (8), No responde (0)).

```
P26ST.A El Congreso Nacional/Parlamento ......1 2 3 4 8 0
```

P26ST.B El Poder Judicial 1 2 3 4 8 0

Interest and involvement in politics:

Q32ST. How interested are you in politics? (Very interested, some interest, little interest, not at all interested, don't know, no answer)

Q32ST. ¿Cuán interesado está Ud. en la política? (Muy interesado, algo interesado, poco interesado, nada interesado, No sabe, No responde)

The winner/loser variable is based on an observation of whether or not the party preference correspond to party in government or not (see chapter 3, part 3.3.3)

Technical information about the 2009 poll of the Latinobarometro:

Country	Methodology	Number of cases (N)	Margin of Error	Total representativ eness of country %
Argentina	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	99 %
Bolivia	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	100 %
Brazil	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1204	+/- 2.8 %	100 %
Chile	Probability sampling, three stages	1200	+/- 2.8 %	100 %
Colombia	Modified probability sampling. Conglomerates, stratified and multi-stage	1200	+/- 3.2 %	99.9 %
Costa Rica	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Ecuador	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	100 %
El Salvador	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Guatemala	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Honduras	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Mexico	Modified probability sampling. Probabilistic in two stages, by quota in the final stage	1200	+/- 2.8 %	100 %
Nicaragua	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Panama	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	99.2 %
Paraguay	Modified probability sampling. In urban areas: probabilistic in four stages, by quota in the final stage In rural areas: probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	100 %
Peru	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	100 %
Dominican Republic	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1000	+/- 3.1 %	100 %
Uruguay	Modified probability sampling. Probabilistic in three stages, by quota in the final stage	1200	+/- 2.8 %	100 %
Venezuela	Probability sampling, four stages	1200	+/- 2.8 %	93.2 %

(Source: Latinobarometro, 2009)