

## LIST OF RESOURCES ON LOCAL DEMOCRACY IN THE DEVELOPING WORLD\*

by Sharmishtha Ghosh, September 2012

### *Introduction and list of contents.*

This document summarizes information available, as of summer 2012, on local democracy in developing countries. The resources listed here may be useful for comparative studies of how local democracy affects economic growth and other variables. Many of these resources have not been widely known among academic researchers in social science.

The bibliography and list of web sites here is followed below by detailed discussion of the resources that are global in scope.

### *Web sites with broad information about local democracy around the world:*

1. United Cities and Local Governments (an international organization offering a broad collection of information on local democracy), <http://www.cities-localgovernments.org>
2. Commonwealth Local Government Forum (an association of Commonwealth countries offering information on local authorities), <http://www.clgf.org.uk/index.cfm>
3. World Local Authorities (a federation of authorities offering a comprehensive comparison of local governments across the world), <http://www.almwla.org/>
4. International Institute for Democracy and Electoral Assistance (an inter-governmental global organization offering resources on democracy and electoral processes), <http://www.idea.int/>
5. Online Sourcebook on Decentralization and Local Development (a collection of reports and case studies), <http://www.ciesin.columbia.edu/decentralization/>
6. ARIAL programme (Appui et Renforcement des Initiatives des Associations de Collectivités Locale) for Africa, Caribbean, Pacific, <http://www.arial-programme.eu/>

### *Websites specific to one country or region:*

1. Ministry of Panchayati Raj (a governmental organization offering resources on decentralization and local governance in India), <http://panchayat.gov.in/>
2. Society for Participatory Research in Asia (an international organization providing resources on local governance and development in Asia), <http://www.pria.org/>
3. Decentralization Watch (a non-governmental organization offering information on decentralization and democracy in the state of Kerala, India), <http://www.decwatch.org/>
4. Association of Local Democracy Agencies (a non-governmental organization promoting local governance & citizen participation in Europe), <http://www.alda-europe.eu/>

### *Books with information about many countries:*

1. Decentralization and Local Governance in Developing Countries: A Comparative Perspective, by Pranab Bardhan and Dilip Mookherjee, MIT Press (2006)
2. The Architecture of Government: Rethinking Political Decentralization, by Daniel Treisman, Cambridge Press (2007)
3. Why Nations Fail: The Origins of Power, Prosperity, and Poverty, by Daren Acemoglu and James Robinson, Crown Business (2012)
4. Local Governance in Developing Countries, by Anwar Shah, World Bank Publication (2006)
5. Local Governance Reform in Global Perspective, by Norbert Kersting, Janice Caulfield, A. Nickson, D. Olowu and H. Wollmann, VS Verlag für Sozialwissenschaften (2009)

6. Rethinking Decentralization in Developing Countries, by Junaid Ahmad, Richard M. Bird, World Bank Publications (1998)
7. Foundations for Local Governance: Decentralization in Comparative Perspective, by Fumihiko Saito, Physica (2008)
8. The Political Economy of Democratic Decentralization, by James Manor, World Bank Publications (1999)
9. Decentralization, Democratic Governance, and Civil Society in Comparative Perspective: Africa, Asia, and Latin America, by Philip Oxhorn, Joseph S. Tulchin and Andrew Selee, Woodrow Wilson Center Press (2004)
10. New Regional Development Paradigms: Vol. 3, Decentralization, Governance and New Planning for Local Level Development, by Walter Stohr, Josefa Edralin and Devyani Mani, Greenwood Press (2001)
11. Sharing Power for Development: Experiences in Local Governance and Decentralisation, by Lilith Schaerer and Karin Fueg, Practical Action Publishers (2008)

*Books specific to one country or region [India, Latin America and Africa]:*

1. Democracy and Decentralisation in South Asia and West Africa, by Richard C. Crook and James Manor, Cambridge Press (1998)
2. Energizing Rural Development through Panchayats, by Bibek Debroy and P.D. Kaushik, Academic Foundation (2005)
3. Annual Report 2011-12, by Ministry of Panchayati Raj, Government of India, (2011)
4. Going Local: Decentralization, Democratization, and the Promise of Good Governance (Mexico), by Merilee S. Grindle, Princeton Press (2007)
5. Decentralization in Asia and Latin America, by Paul Smoke, Eduardo J. Gomez and George E. Peterson, Edward Pub (2007)

*Articles with broad information about local democracy around the world:*

1. "Decentralization and Governance", by Jean Paul Faguet, Economic Organisation and Public Policy Discussion Papers (2011).
2. "Decentralization of Governance and Development", by Pranab Bardhan, The Journal of Economic Perspectives (2002)
3. "Rethinking Decentralization in Developing Countries", by Jennie Litvac, Junaid Ahmad, Richard Bird, World Bank Publications (1998)
4. "Democracy and Growth ", by Jenny A. Minier, Journal of Economic Growth (1998)
5. "Democracy and Growth", by Robert J. Barro, Journal of Economic Growth (1996)

*Articles specific to one country or region [India, Latin America and Africa]:*

1. "Chiefs", by Daren Acemoglu, Tristan Reed and James A. Robinson (2012)
2. "Roadmap for the Panchayati Raj 2011-17", published by the Ministry of Panchayati Raj (2011)
3. "Democratic Accountability in Local Governance Institutions: Experiences from South Asia", published by PRIA (Society for Participatory Research in Asia) (2011)
4. "Capacity Development of Local Governance Institutions in South Asia", published by PRIA (2011)
5. "Critical Debates: Advancing the study of Decentralization and Federalism in Latin America", by Christopher Mitchell, published by Wiley-Blackwell (2008)

***Web sites with broad information about local democracy around the world:***

The **United Cities and Local Governments:** <http://www.cities-localgovernments.org> is an extremely valuable source of information on Local Governance. The UCLG, an umbrella organization for cities, local governments and municipal associations throughout the world, is the largest local government organization in the world that embodies a united voice of over 120 UN member states across seven world regions. It is the first global comparative analysis of local authorities across all regions of the world. The UCLG has brought out the GOLD Report (“First Global Report on Decentralization and Local Democracy”) which discusses the role of local governments and the relationship between decentralization and development.

The GOLD home-page found at the bottom right corner of the UCLG home-page <http://www.cities-localgovernments.org/gold/> contains six important sections- Our Selection, Best Practices, GOLD Reports, Country Profiles, UCLG Member Profiles and Key Indicators on Local Governments. Each of these can be accessed by clicking on the tabs available on the left. In addition, specific information on local democracy in different countries can also be accessed by performing a search based on different criteria such as Organization, Region or Themes (e.g. ‘Decentralization and Local Self Government’) from the drop down menu.

The First GOLD Report, available at the tab on the left side of the GOLD home-page, contains comprehensive and comparative information on the structure, responsibilities and finances of local governments in the following seven regions: Africa, Asia-Pacific, Eurasia, Europe, Latin America, Middle East/Western Asia and North America. Every chapter in the report deals with three themes: evolution and development of territorial structure; power, management and finance and local democracy. The Introduction comprises of an overview of political and administrative decentralization as well as economic and territorial position of each country. It also provides information on provincial and sub-national level governance. In case of certain continents, the report provides a useful table on local governments as well as urbanization demographics of different regions. The section on Responsibilities, Management and Finance is interesting and lists various sources of finance for local governments, such as percentage of local revenue raised from taxes and those from state transfers. Some regions have graphs on local resources/GDP (that show the local governments’ finances represented as a percentage of GDP of state level expenditure), local public expenditure as a percentage of GDP, local tax revenue as a percentage of total income and tax shares and budgetary transfers as a percentage of total income. The last section on local democracy deals with the local political system. It indicates whether such countries have direct democracy and elucidates the method of appointment of local executives and voting system. Information on the relationship between central and decentralized governments as well as the role of local government officials is also available. The Second GOLD Report provides a useful summary of fiscal decentralization and local finance in different countries.

The UCLG also provides country specific profiles that can be viewed from the GOLD home-page by selecting ‘UCLG Local Governments’ from the drop down menu under ‘Organizations’, and ‘Decentralization and Local Self-Government’ from the dropdown menu under ‘Themes’ or by selecting the Country Profiles tab. Country Profiles contain individual or regional profile of different regions. The Profiles include information on the state of local

democracy and decentralized governance for 50 countries. The topics covered in the Profiles range from Basic Facts, Territorial Organization, Local Democracy, Central–Local Government Relations and Local Responsibilities to Local Finance. To access a country profile, one has to click on the region and choose a country. After selecting a region, click on the map to select a specific country profile or access the profile of the entire region.

Our Selection and Best Practices contains a list of websites on local democracy and governance which can be country specific or global in scope. This section lists some useful websites including the CLGF website and other important sites, some of which are listed here.

Key Indicators on Local Governments is a really handy database or “pocketbook” with information on 82 countries in a wide range of topics such as population data, macroeconomics, territorial organization and public finance. To access data on a specific country, click on the region to select the country. Data for the selected country is then displayed in PDF files.

Another great source of information on local democracy is the **Commonwealth Local Government Forum (CLGF)**: <http://www.clgf.org.uk/index.cfm>. CLGF seeks to promote and strengthen democratic local government across the Commonwealth countries and to encourage the development of democratic values and good governance. CLGF has been actively involved in encouraging and developing local elections, election monitoring, and capacity building support for councilors and councils.

CLGF contains a repository of information on local government in different countries which can be accessed through the Country Profiles tab at the top. This section includes a brief summary of each country, key facts such as percentage of local government contribution to GDP, structure of the local government, dates of most recent elections and links to other useful sites. The first section entitled Summary contains a concise summary of the form, scope, responsibilities and structure of local government. The most interesting sections in the report, (which can be accessed by downloading the full country report) include the structure of governments with information on different tiers of local government, ministerial oversight including responsibilities of ministers at various levels and the structure of councils. Most country reports also contain a province wise distribution of councils and their population. Another useful section is Finance, Staffing and Resources which has information on revenue and expenditure of local governments. The table corresponding to Finance, Revenue and Expenditure section elucidates the breakup of the resources and amount of revenue collected at different tiers of government. The last section has links to other sources that provide information on decentralization and local governments in different countries. The Publications tab on the top has information on the Commonwealth Local Government Handbook- a comprehensive book on local government in the Commonwealth countries. It portrays the system of local governments in 53 countries of the Commonwealth, looking at how local government is structured, how elections take place, what services the local governments are responsible for, how local governments are financed and what reforms are generally undertaken. The profiles are in a format that allows easy country to country comparison. However, the CLGF Handbook is currently out of print.

The **World Local Authorities (ALM/WLA)** is another great website and can be accessed at <http://www.almwla.org>. It focuses on how local governments function and provides country by country analysis in the following five areas- General Data, Local Organization, Responsibilities, Local Finances and References. For each country the following information may be accessed by selecting a particular country.

General data includes socio-economic data for each country and lists macroeconomic indicators such as GDP, debt, etc. The Local Organizations tab describes the process of creation of local organization i.e. when and how local governments came into being, different tiers of local government, administrative divisions and organization and operation of local authorities. It illustrates the hierarchy of different levels of local government. The section on Responsibilities provides a breakup of responsibilities by territorial level and lists allocation of responsibilities at different levels of hierarchy. The Local Finances section deals with Budget Structure, Expenditure including key financial indicators as well as different sources of Revenue such as tax revenue, tariff revenue, revenue transferred from the state etc. Lastly, the More Information section provides contacts and bibliographical references. A concise document covering all of the above information is available for downloading.

The **International Institute for Democracy and Electoral Assistance (IDEA)** is an inter-governmental organization with member states from all continents. It has a mandate to support sustainable democracy worldwide. Although it does not contain voluminous information on local democracy, it provides general resources on democracy, conflict management, electoral processes, political parties and women in politics that can be accessed from <http://www.idea.int/>. It offers databases on different areas of democracy and elections. The database on democracy deals with comparative information on direct democracy mechanisms around the globe and data on when direct democracy was introduced in different countries. It can be accessed by clicking on Publications and Resources and selecting Databases and Networks.

The Unified database listed in the Databases and Networks page, offering information on voter turnout, electoral system design, gender quotas and direct democracy, provides a standard search interface for accessing data that is stored in a single database. For numerical data it is possible to find simple statistical summaries like maximum or averages in the search results. In the advanced search page, one can request for data from different thematic areas (such as direct democracy, electoral design and voter turnout) and filter by region and date. Out of the different databases covering a range of topics such as Direct Democracy, Electoral Justice, Electoral System Design, Gender Quotas, Political Finance Database, Voter Turnout and Voting from Abroad, the most interesting ones are on Direct Democracy and Political Finance. The Direct Democracy database deals with information as to when direct democracy mechanisms were introduced and lists the dates of the most recent direct democracy mechanisms. The Political Finance database has information on donations, public funding to political parties, campaign finances as well as finances and spending of political parties. Individual country reports with the above information can also be accessed from the Databases and Networks page by selecting State of Democracy Network and clicking on the Assessments Worldwide tab on the top, which provides individual country reports. The State of Democracy publication has an assessment methodology that empowers citizens to assess their own democracy and to identify policy steps

needed to improve the quality of that democracy. The Assessing Democracy web link in the Assessments Worldwide section provides links to other organizations and institutions that work within the field of democracy assessment.

### **Other websites with global scope:**

The United Nations Development Program - Democratic Governance (UNDP) which can be accessed at:

<http://www.undp.org/content/undp/en/home/ourwork/democraticgovernance/overview.html>

offers information on Democratic Governance and Local Development for Central/South American countries. Although it does not specifically deal with local democracy, it provides a general background of these countries and their political structure. The Local Governance and Local Development section, which can be accessed from Focus Areas under Our Work tab focuses on people's voices. Local democracies respond to community needs as decentralization brings decision-making closer to the poor. One can access different journals, references or contacts regarding democratic governance by choosing a particular country and a focus area from 'UNDP Around The World' tab at the top left corner.

Another website <http://www.democraticdialoguenetwork.org/network/cases.pl> provides information on countries of Latin America including its past history and discusses the main social, political and economic events that have shaped its present. It posts weekly and bimonthly press reports that include news from each country and has country-wise data and links to governmental institutions, national and regional press, and other local entities.

### ***Websites specific to one country or region:***

The **Ministry of Panchayat Raj**: <http://panchayat.gov.in/>, a wing of the Central Government that is responsible for overseeing decentralization and local governance in different states of India, is a great source of information on local democracy in India. The website contains a journal entitled *Roadmap for the Panchayati Raj (2011-17)* which is an excellent source of information on the current status of the Panchayats, their functions, finances and accounting, capacity building, decentralized planning, e-governance, decentralized governance as well as a prospective roadmap for the future. It can be accessed from the homepage by selecting the Roadmap tab from the top of the page.

The website also offers resources on decentralized planning, devolution (including a report on Panchayat Empowerment Accountability Incentive Scheme), guidelines on decentralized planning, guidelines on Gram Panchayats available under MGNREGA and Detailed Budget Demand for Grants for the current as well as previous fiscal years under Proactive Disclosures in the RTI tab. Some of the other interesting sections include a section called Dimensions of Panchayati Raj which has a report on the administrative reforms on local governance, a Finance and Budget section that outlines demands for grants, the Advisories and Guidelines section listing Panchayati Finance, Accounts and Audit section as well as the Panchayati Raj in States section which contains state profiles. The homepage has a Related Links tab which provides a useful Panchayati directory.

The **Society for Participatory Research in Asia (PRIA)**, <http://www.pria.org/>, is an international centre for learning and promotion of democratic governance in India and South East Asia. It focuses on participatory research, citizen-centric development, capacity building, knowledge building and policy advocacy. It offers support to Panchayati Raj institutions in India and provides articles on Participation and Governance, Participatory Development, Panchayati Raj, Capacity Building and Social and Urban Development which can be accessed from the Publications tab. The website has interesting articles on Democratic Accountability in Local Governance Institutions and Capacity Development of Local Governance Institutions in South Asia.

The **Decentralization Watch** is a non-governmental organization offering information on decentralization and democracy in Kerala (<http://www.decwatch.org/>). It provides information on the history and current status of the local government, local finances as well as capacity building which can be accessed from the Navigation Menu in the homepage. Some of the other potentially useful pieces of information include links to other websites on Local governance in India and general documents dealing with decentralization and the Panchayat Rules which can be accessed by clicking on Sites on India/Other States found under the E Documents and Websites listing on the right.

The **Online Sourcebook on Decentralization and Local Development** offers resources on decentralization in Latin America, Africa and Asia and can be accessed from the site <http://www.ciesin.columbia.edu/decentralization/Entryway/siteindex.html> provided by the Center for International Earth Science Information Network at Earth Institute, Columbia University. It offers general information on decentralization, its key issues and trends and future developments and analyses it from the perspective of administrative, fiscal (expenditure and revenue assignment) and political decentralization (accountability, transparency, participation). The website offers broad information on decentralization in four regions viz. Latin America, Africa, Asia and Europe, examining case studies and providing general country information within these regions. For each country, information regarding the political and economic situation, ongoing decentralization process, forms of decentralization as well as a general outlook is provided.

The **Association of Local Democracy Agencies (ALDA)**, [www.alda-europe.eu](http://www.alda-europe.eu), is an international organization, comprising of local democracy agencies in South East Europe to foster decentralized and multilateral cooperation between local, national and international partners. It promotes good governance and citizen participation at the local level. The Regional Strategies section under 'What We Do' contains documents, the details of local democratic associations and ALDA's projects undertaken in that region or country.

The **ARIAL programme** aims to improve local government in the African, Caribbean and Pacific region (ACP) with funding from the European Union. [www.arial-programme.eu/en/](http://www.arial-programme.eu/en/)

***Books with information about many countries:***

*Decentralization and Local Governance in Developing Countries: A Comparative Perspective-*  
*Pranab Bardhan and Dilip Mookherjee*

This study, covering eight countries viz. Bolivia, Brazil, China, India, Indonesia, Pakistan, South Africa and Uganda provides an insight into the political and economic systems within which decentralization has flourished and how this background shaped the structure and development of local government. The case studies point to the fact that the authority of the national governments over economic policies have been on the decline, as a result of devolution of political and economic powers to the local governments in the past few decades. In fact, decentralization has worked hand in hand with privatization and deregulation, to enhance the democratic processes, and the institutional transformation has been discussed from an interdisciplinary perspective. The book narrates the journey of some of these countries towards decentralization. While India along with Brazil experienced the process of decentralization in a more gradual manner, the devolution of power to the local governments in China was largely economic and hardly political. South Africa moved from the era of apartheid to a democratic constitution and it was under the latter that decentralization flourished. The book also chronicles the journeys of Bolivia (1995) and Indonesia (1998) towards decentralization.

*The Architecture of Government: Rethinking Political Decentralization (Cambridge Studies in Comparative Politics) – Daniel Treisman*

This is an interesting book in which the author has put to test the widely believed theory that devolution of power to local governments offers panacea for all ills that cripple good governance. Using logical analysis and formal modeling and citing many examples, Treisman has sought to deconstruct political decentralization by concluding that evidence does not support the claim that shifting power to local governments leads to creation of an effective and responsible government.

*Why Nations Fail: The Origins of Power, Prosperity, and Poverty – Daren Acemoglu and James Robinson*

Why Nations Fail does some soul searching to seek answers to the age-old question as to why some nations prosper while others lag behind in poverty. Citing specific examples like North and South Korea and Botswana, the authors conclude that it is the strength of political and economic institutions and the interplay between them that determine the economic success of a country. It is a thought provoking work, based on fifteen years of original research.

*Local Governance in Developing Countries- Anwar Shah*

This book reviews the experiences of ten developing countries and compares the alternative models of local governance from a holistic perspective. Written in a simple language with an appeal to a wider readership, it also deals with issues like how to strengthen the system of local governance so as to make it more responsive and accountable.



*Local Governance Reform in Global Perspective – Norbert Kersting, Janice Caulfield, R. Andrew Nickson, Dele Olowu and Hellmut Wollmann*

A comparative study spanning across four continents- Europe, Latin America, Africa and Asia on local governance reforms, the book compares developments and reforms in European countries to that of certain developing countries including China, Malaysia, Indonesia, Nigeria, Uganda, South Africa, Bolivia Chile and Paraguay, which have undergone vastly different historical, geo-political, politico-cultural as well as colonial experiences that have contributed to wide variations in the outcome of their efforts. The authors have discussed three major strategies of governance: decentralization, political administrative reforms and participatory reforms, while the introductory remarks include a brief overview of the Local Government Reform in Global Perspective, including socioeconomic and political issues, local governance, reform trajectories and main reform obstacles.

*Rethinking Decentralization in Developing Countries -Junaid Ahmad*

While acknowledging the role of politics as a catalyst in the process of decentralization, this book examines the complexities involved and the need for strengthening the system. The impact of decentralization in terms of better service delivery, a more equitable system and greater macro-economic stability are also discussed.

*Foundations for Local Governance: Decentralization in Comparative Perspective – Fumihiko Saito*

This book discusses the experiences of six developing countries that initiated decentralization and local governance reforms within their respective socio-political context. Although the dual objectives of political democratization and economic efficiency have often acted as a driving force behind these policy initiatives that sought to bring “services closer to people”, the efficacy of these measures are dependent on a wide range of factors that in many cases pose a challenge to the governments. Written in a lucid language, the book “reveals the dangers of prescribing decentralization as a quick fix to improve service delivery and local democracy.” David Hulme, Director, Chronic Poverty Research Centre University of Manchester, UK.

*The Political Economy of Democratic Decentralization (Directions in Development) – James Manor*

This study of decentralization, based on empirical evidence drawn from different parts of the world, examines its relevance, its origin and the recent trends, the role of decentralized institutions within the society and the political environment, and its advantages and disadvantages. It also looks at the potential role of decentralization as a vehicle for rural development.

*Decentralization, Democratic Governance, and Civil Society in Comparative Perspective: Africa, Asia, and Latin America (Woodrow Wilson Center Press)- Philip Oxhorn, Joseph S. Tulchin and Andrew Seleeen*

With an introduction from Philip Oxhorn that touches on the theoretical foundation relating to the issues discussed in the book and case studies from Mexico, Indonesia, Philippines, South Africa, Chile and Kenya, it deals with the trends in the process of decentralization in the six countries, delves into the complexities involved, and examines the relationship between national and sub-national levels of government as well as between decentralization, economic liberalization and democratic transition. The authors have carried out a general review of the institutional settings in each case, identifying the principal actors and the critical issues and drawing conclusions on some of these issues.

*New Regional Development Paradigms: Volume 3, Decentralization, Governance, and the New Planning for Local-Level Development (Contributions in Economics and Economic History) – Walter B. Stohr, Josefa S. Edralin and Devyani Mani*

The book presents a series of articles that explore various ways to resolve the challenges of poverty, deprivation, exclusion from technology and lack of access to proper health care system in a world characterized by rising prosperity that is spreading across the globe. The roadmap proposed includes decentralization of government, local level development and greater public private partnership, which have been discussed in the context of the experiences of some of the countries across the globe.

*Sharing Power for Development: Experiences in Local Governance and Decentralisation (Experiences and Learning in International Cooperation Series) – Lilith Schaerer and Karin Fueg*

Essentially a compilation of case studies presented by Helvetas, a Swiss developmental organization and its local partners in select other countries of Asia, Africa and Latin America, the book seeks to establish that good local governance based on decentralization has a close nexus with the efficacy of poverty related development work, and the importance of context specific initiatives in the success of local governance.

***Articles with broad information about local democracy around the world:***

*Decentralization and Governance by Jean-Paul Faguet*

This article explores the impact of decentralization on governance. Faguet argues that although decentralization is believed to enhance governance through increased accountability, increased political competition and lower political instability, it also poses a threat to the fiscal sustainability and restricts government power.

*Decentralization of Governance and Development by Pranab Bardhan*

This paper argues that differences in stages of economic development that gives rise to changes in the institutional context have implications for the decentralization processes in the developing and advanced economies. Accordingly the author cautions that it may be hazardous to draw

lessons for the developing countries from the experiences of the US. The article also refers to some empirical work in evaluating the impact of decentralization on delivery of public services and local business development.

*Rethinking Decentralization in Developing Countries by Jennie Litvac, Junaid Ahmad, Richard Bird*

Rethinking Decentralization in Developing Countries examines the role of the wide range of variables that determine the success of decentralization in the developing countries, and argues that its consequences are institution specific. Decentralization is neither favorable nor unfavorable for macroeconomic stability. Its impact depends on the strength of the institutions, effectiveness of the policies and incentives to influence outcomes. The paper focuses attention on the need for accountability, governance and capacity in the formulation of decentralization policy, and discusses the five means through which the decentralization policy and institutions interact- regulatory framework for sub-national borrowing, competitive governments, financing and delivery services, asymmetrical decentralization and policy synchronization.

*Democracy and Growth: Alternative Approaches by Jenny A. Minier*

This article explores the relationship between economic growth and democracy. According to Minier, there is a direct positive correlation between democracy and growth- countries that have democratized grow more quickly compared to countries that have not. Moreover, democracy also helps identify countries that face similar aggregate production functions at given literacy and income levels.

*Democracy and Growth by Robert J. Barro*

In this article Democracy and Growth are analyzed using data from over a 100 countries spanning a period of 30 years from 1960 to 1990 to determine the effects of democracy on growth. According to Barro, at low levels of political freedom, there exists a nonlinear positive correlation between democracy and growth, whereas at moderate or higher levels of freedom, this relationship is negative.

*This document is available at:*  
<http://home.uchicago.edu/~rmyerson/research/locdemocinfo.pdf>