When the Berlin Wall fell in 1989, the entire political science community was taken by surprise. Few things were less expected at the time than the demise of Communist power in Europe and the subsequent devolution of the Soviet Union. More than a decade has passed, bringing tremendous political, economic and social changes to many of the countries in the Baltic region. For Russia, Belarus, Poland and the three Baltic states the previous decade has brought with it electoral democracy and market economic reforms. For Germany it meant the reunion of its eastern and western parts after nearly fifty years of separation. For the democratically mature Scandinavian countries, Sweden, Denmark and Finland, the 1990s paradoxically witnessed a galloping decrease of support for the representative democratic institutions, which have constituted the major pillars of political life during the 20th century. This growing public scepticism towards societal institutions and political life is not an isolated Scandinavian trend. Public confidence in political and public institutions like the parliament, the government, the army and the bureaucracy is dropping steadily in all the trilateral countries (i.e. Western Europe, Japan, US and Canada). Political parties have rapidly lost members and failed to attract new ones during the 1990s, giving fuel to an academic and public debate envisaging a future democracy without political parties. Hence, the 1990s offered a political scenery filled with contrasts in the Baltic region.

Establishing the institutions by which popular rule is exercised is but one step, however necessary and crucial, towards democratic government. This institutional transition has by now been completed in most of the new democratic states of the Baltic regions. Visualising democratic institutions, the basic concern lies with designing efficient processes by which individual preferences – votes – are translated into collective outcomes. Free and fair elections, open competition and political rights are all necessary preconditions to uphold popular rule. Several of the new democracies around the Baltic Sea – the Baltic States, Poland, the former Eastern Germany and more hesitantly Russia – fulfil these criteria after little more than a decade as democratic states. Using the terminology of the political scientist Larry Diamond, electoral democracies have been established.

In the comprehensive overview by Assarsson and Hadenius in chapters 19-22, the various forms of constitutional frameworks within which democratic rule could be realised are presented and discussed. Hence, an important conclusion to be drawn from their presentation is that in the democratic states of the world, as they have developed through the first, second and third wave of democratisation during the 20th century, various constitutional routes to democratic government have been chosen. Therefore we can also find a constantly ongoing debate on issues of constitutional design, for example in relation to Eastern Europe, asking whether certain choices, such as presidentialism or parliamentarism and proportional or majoritarian systems, are the most beneficial. The yardstick often used to measure success is, then, the time of democratic endurance.

However, often we expect more from democratic rule than just a formal adherence to established procedures. That is also the case in the new democracies of the Baltic region, where the generally low levels of public confidence in political institutions clearly indicate a far from satisfying situation. As citizens we want guarantees that political rights are truly respected and protected, that participation is encouraged and spread among the population and that the popularly elected government is in genuine control of state affairs and not just a puppet in the hands of other, non-elected, actors. Extending the meaning of democracy likewise leads us over to the
concept of liberal democracy. In a liberal democracy, and the Scandinavian countries certainly belong to this category, the main “actors”: political leaders and parties, popular organisations and non-governmental interest groups, together with the citizenry at large, are committed to democratic principles and procedures. In other words, a process of internalisation has taken place so that individuals and collectives respect and believe in the basic principles of popular rule, like equality and the independence of the state. Hence, they adjust their own behaviour and even develop a will to defend democratic ideas in the face of threats. While the “first” transition to democratic government concerns setting up an institutional framework and making it work, this “second” transition embraces the coming into existence of a democratic political culture. Attitudes, beliefs and perceptions that support democracy in the longer run need to spread, if institutions are to work well. The tricky thing is that the rise of such a supportive political culture – once termed the “civic culture” by political scientists Gabriel Almond and Sidney Verba – is highly dependent on the performance of the democratic governments. For new democracies in particular the pitfalls are manifold, and in the case of dual transitions the task of manoeuvring both a newborn market economy while being inexperienced in democratic practice have sometimes proved almost overwhelming, as in Russia.

Thus, establishing democratic institutions is no guarantee that these institutions behave as they are expected to. The step to a liberal democracy is definitely a large one, and one often not taken at all. For various reasons, discussed and explored in the chapters by Zbórón and Bennich-Björkman, malfeasance, political corruption and the distortion of popular influence in favour of private interest government is consistent with upholding an electoral democracy, but not with a liberal one. In particular for the newly established democracies in Eastern Europe and the former Soviet Union, finding acceptable ways of organising the relations between state institutions and powerful economic interests outside government which grow as a result of the economic transition is crucial in order to preserve the necessary autonomy for action for the state. In a market economy, which most countries in the Baltic region now are, independent economic players intending to influence political decisions are bound to exist. Finding a modus vivendi that suits both parts, like the corporatist arrangements structuring political life in Scandinavia for several decades, is a way of accepting facts. Establishing a rule of law, presented by Edelstam in Chapter 23, on the other hand, aims at protecting the rights of citizens against the intrusion of the state. A democratic state is in other words an intricate web of both formal and informal checks and balances on different powers: the state is basically controlled by the rule of law laying down political and civil rights for the citizens. Economic powers are controlled by the state – in liberal democracies – while at the same time being supported by the state and its capability to enforce the legislation without which the market economy could not function.

How can democracy be justified? Basically, in democratic theory it is possible to find two lines of argument, one materialistic and one idealistic. The idealist argument concentrates on the inherent value of self-government, which is believed to be a basic human aspiration. Democratic government is the best option since it is built on the very principal of equal self-government for all (adult) individuals. The materialist argument instead suggests that democracy is the best-known government since it promotes the public interest, i.e. public welfare better than all other systems. While politicians seek re-election and the maximising of political power, the ultimate tool to ensure power is to spread goods to as many potential voters as possible. In no other political regime, the inherent logic of the system makes public welfare coincide with the very egoistic self-interest of the political power holders. Clearly, this is a Hobbesian argument grounded in the presumption of the narrow self-interest as the predominant human motivation force.

In order for the first argument to be valid, governments however must have something to spend on their presumptive voters. It is a crucial but often neglected fact that the democratic
government must have “incomes” to transform into programs for public welfare like education, health care, social security and infrastructure. Hans Aage in Chapter 24 illuminates the relations between market economy and the democratic state by focusing on the various ways of collecting state revenues.

The era of the nation-state is definitely drawing to an end in Europe. The expansion and expected enlargement of the European Union to the post-communist states of Europe will once more reunite East and West while also putting questions of democratic deficit and citizen control on the European agenda. For the candidate countries in the Baltic region, the three Baltic states and Poland, their candidacy has meant intense efforts to adapt national legislation to the *acquis communautaire*. And while the enlargement seems to have been brought one step closer to realisation after the conclusion of the Swedish presidency in the summer of 2001, Poland with its large agricultural sector and key position among the candidate countries is still a hard nut to crack. In case Chapter 7, the complex problem of citizenship and inclusion in Estonia and Latvia is focused in relation to a future membership. Could the ethnic situation in these countries result in an EU torn by ethnic conflicts at its eastern borders?

**Key concepts of democracy**

**Political democracy.** When we talk about democracy here we are primarily referring to political democracy, which in a general sense is a matter of how the vital organs of the state are governed. The basic meaning of democracy is rule by the people. Thus, in a political democracy the organs of the state should be directed by and be responsible to the will of the people. More concretely, in keeping with the liberal tradition, the notion of government by the people can be traced back to two general sets of ideas: The principles of (i) popular sovereignty and (ii) political liberties.

**Popular sovereignty.** The first principle spells out the right – that is the equal right – for all citizens to rule (the particular problem of defining what constitutes a “people” – ethnic kinship or geographical unity? – is sometimes a controversial matter). Due to a number of practical limitations as to how popular power can be exerted (the complexity of the decision-making process, lack of time etc), we normally have to confine ourselves to a somewhat diluted form of rule by the people. This implies that the kind of influence exercised by the people is normally indirect (representative) in character, and that it is also, with regard to its content, of a fairly broad character. The standard form of influence is exerted through regularly held elections. The primary role of the voters in this process is to select certain representatives and, at the same time, to express some general preferences concerning the design of public policy. To guarantee that these conditions are being maintained, the rights at issue should be protected (in an actual sense) by legally enforceable regulations. This implies that no institution in society is empowered to act outside the law. Accordingly, the democratic mode of government requires the existence of a *Rechtsstaat* – a state governed by law.