



# Direct Democracy in Microstates and Small Island States

DAG ANCKAR \*

*Åbo Akademi University, Finland*

**Summary.** — This study is an empirical examination of the use of direct democracy in microstates and small island states. The study covers all democratic microstates and small island states in the world in 1999. Democratic status is derived from Freedom House data, and the question of whether small states form a distinct subpopulation in terms of direct democracy is approached through systematic comparisons with a population consisting of all 85 democracies in 1999. The findings are that whereas microstates make limited use of the popular initiative and the policy vote, they frequently apply the constitutional referendum. Whereas colonial background rather than size explains much of this pattern, the inclination of small states for the constitutional referendum stands substantiated.

© 2003 Elsevier Ltd. All rights reserved.

*Key words* — constitutions, direct democracy, microstates, size, small island states

## 1. INTRODUCTION

While noting “the extreme unevenness of the incidence of referenda,” Arend Lijphart, in his well-known study of majority and consensus democracy, contends that “the question of why referenda occur much more frequently in some countries than in others cannot be answered satisfactorily” (Lijphart, 1984, pp. 197–201). Given, however, that country size is an important determinant of the degree of democracy (e.g., Anckar, 1997; Anckar, 2002a, 2002c; Diamond & Tsalik, 1999; Hadenius, 1992, pp. 122–127; Ott, 2000), party fragmentation (Anckar, 2000; Anckar & Anckar, 2000), and choice of electoral system, (Anckar, 2002b; Blais & Massicotte, 1997, pp. 113–114), the question arises does the size factor play a role in the formation of direct democracy as well. This article assumes the task of investigating whether differences in size can systematically account for country differences, small size promoting or thwarting an interest in instruments for direct democracy. The focus of the article is on the extent to which direct democracy devices have been introduced in the constitutional and legal frameworks of microstates and small island states. Observations are also included on the extent to which direct democracy is actually used in these states. The article deals, in other words, with institutions as well as behavior.

Two contesting hypotheses may in fact be suggested about the suitability of direct democracy for small-sized units. According to the first, precisely because they are small, small-sized units provide an ideal context for direct democracy. Although not small enough to render possible the gathering of all people in one place, small units exist on a scale that accommodates and encourages a direct participation of people in political life. The intimacy and the nearness inherent in small countries promote a general understanding and knowledge of local political problems, contradicting the usual claim by direct democracy opponents that ordinary citizens are not well enough informed about complicated matters (e.g., Zimmerman, 2001, pp. 236–242). Furthermore, the small-sized frame of reference works better than in larger units against nondiscernible special interests manipulating the direct democracy channels and thereby distorting representation. Other factors are congruent with these assumptions. The propensity to vote, which is one prerequisite of a successful realization of direct democracy, is known to be higher in small units than in large units (Blais & Dobrzynska, 1998, p. 244). In addition, the possibility of bypassing political parties that is embedded in the idea of direct democracy is

\* Final revision accepted: 7 August 2003.

enhanced in several small polities. The essentials in this argumentation are well covered in the following quote:

Power should be "delocalized." Because of the diminutive size of most Pacific Island groups, some form of "direct" democracy is possible. In such small populations, party politics always pose a real threat of fragmenting the communities into tiny ineffective pieces thus weakening them as systems or throwing them into chaos. Power can be made diffuse not only by abolishing political parties or recasting them in a form more suitable for island conditions but also through invalidating all individualized arbitrary privileges as distinct from rights and powers via assignment or role (Helu, 1994, p. 325).

The second hypothesis conveys a different message. According to this hypothesis, small size will in fact work against the emergence of direct democracy. Two factors speak in favor of this assumption. The first concerns transparency. In small units, followers are close to leaders and have more opportunities to deal directly with them; furthermore, communication between citizens and leaders is reciprocal (Dahl & Tufte, 1973, p. 87). Since preferences are filtered through a few intervening and intermediating structures and organizations, leaders may easily survey what is going on in their societies in terms of preference formation. Information aspects of political life, therefore, will benefit less than in larger units from an extended popular participation. The other factor is homogeneity in terms of attitudes and values. Although small units are no different from larger units when it comes to categorical heterogeneity, they tend to be more uniform in terms of attitudes and values (Anckar, 1999, pp. 34–40). Insularity may add to this characteristic. Islands spell remoteness, and remote units are often more cohesive units, as they have to cope with problems that are related to remoteness shared by all members of the community. In small and insular units, therefore, the social representation of elected bodies is more evident than in larger units and not much is gained in this respect by submitting decisions directly to the people. In short, because of close distances between those who govern and those who are governed, and also because of widespread consent, direct democracy appears a superfluous and redundant form of politics in small units. A study of direct democracy in Switzerland's cantons suggests that "In rural, homogeneous, and small areas with a relatively low degree of conflict, optional referenda and

initiatives are primarily of symbolic and hardly of any practical relevance" (Vatter, 2000, p. 186); this statement neatly summarizes the content of this second hypothesis.

Dealing with these two hypotheses and related questions, the article is organized in five sections. Following this introduction and to clear the ground for the subsequent analysis, Section 2 reports some important operationalizations and also provides a general overview of direct democracy in microstates. Section 3 explores systematically differences between the microstates by reference to a set of potentially relevant background factors. Section 4 by comparing microstates and larger states, brings in a verdict in the controversy between those who advocate and those who disavow the link between smallness and direct democracy. Section 5 concludes.

## 2. EMPIRICAL FINDINGS: AN OVERVIEW

By way of introduction, two preliminary and operational tasks need be performed. First, the microstates and the small island states of the world must be identified. Second, the categorization of direct democracy devices that will be used must be clarified. Here, the concept of microstate is applied to states that have one million inhabitants or less. This is the usual method for defining microstates, and although contested at times (Ogashiwa, 1991, pp. ix–x), this ceiling is widely accepted in the literature. In 1999, there were 42 microstates in the world, and they are listed in Table 1 along with a couple of characteristics that will be used for analytical purposes in this research. Occasionally, a distinction between small island states and other microstates will be tried out to detect a possible impact of an "insularity factor," the concept of "small island states" covering, then, microstates that are island states. Throughout the paper distinctions are also made between democratic and nondemocratic states; this classification is based on the Freedom House ratings of the countries of the world for 1999 (Karatnycky, 2000). As is customary in research on democracy (e.g., Burkhart & Lewis-Beck, 1994; Helliwell, 1994; Lijphart, 1984, 1999), the Freedom House rating of "free" is taken here to denote a democratic state. This is also very much in line with the statement by Diamond that the "free" rating in the Freedom House survey is the best available

Table 1. *The microstates of the world: population, metropolitan power and island status*

Microstate (ND = nondemocracy)	Population	Metropolitan power	Island?
Andorra	67.000	–	No
Antigua and Barbuda (ND)	66.000	Britain	Yes
Bahamas	284.000	Britain	Yes
Bahrain (ND)	629.000	Britain	Yes
Barbados	274.000	Britain	Yes
Belau	19.000	USA	Yes
Belize	249.000	Britain	No
Brunei (ND)	336.000	Britain	No
Cape Verde	401.000	Portugal	Yes
Comoros (ND)	578.000	France	Yes
Cyprus	758.000	Britain	Yes
Djibouti (ND)	451.000	France	No
Dominica	71.000	Britain	Yes
Equatorial Guinea (ND)	474.000	Spain	No
Fiji	832.000	Britain	Yes
Grenada	89.000	Britain	Yes
Guyana	705.000	Britain	No
Iceland	276.000	Denmark	Yes
Kiribati	92.000	Britain	Yes
Liechtenstein	32.000	–	No
Luxembourg	437.000	–	No
Maldives (ND)	301.000	Britain	Yes
Malta	392.000	Britain	Yes
Marshall Islands	68.000	USA	Yes
Micronesia	133.000	USA	Yes
Monaco	32.000	–	No
Nauru	12.000	Australia	Yes
Qatar (ND)	745.000	Britain	No
St Kitts-Nevis	39.000	Britain	Yes
St Lucia	156.000	Britain	Yes
St Vincent	115.000	Britain	Yes
Samoa	180.000	New Zealand	Yes
San Marino	27.000	–	No
São Tomé and Príncipe	160.000	Portugal	Yes
Seychelles (ND)	79.000	Britain	Yes
Solomon Islands	466.000	Britain	Yes
Surinam (ND)	431.000	Netherlands	No
Swaziland (ND)	985.000	Britain	No
Tonga (ND)	102.000	–	Yes
Tuvalu	11.000	Britain	Yes
Vanuatu	189.000	Condominium	Yes
Vatican City (ND)	1.000	Italy	No

empirical indicator of “liberal democracy” (Diamond, 1996, p. 24).

Direct democracy is usually defined as the process in which citizens make decisions themselves, without representative institutions (Hague, Harrop, & Breslin, 1998, p. 21). The typical instruments of direct democracy are the initiative, referendum and recall. Initiative allows voters to propose a legislative measure or a constitutional amendment by filing a

petition; referendum refers a proposed or existing law or statute to voters for their approval or rejection; recall, finally, allows voters to remove or discharge a public officer from office by filing a petition for a vote on the official’s continued tenure in office (e.g., Cronin, 1989). While ignoring the recall, which is a highly unusual device, this article is about initiative and referendum arrangements in the microstates and small island states of the world.

The popular initiative comes in many forms and can be classified in many categories, the defining criteria being about the composition of the *demos*, restrictions on issues, and the like (e.g., Donovan & Bowler, 1998). Only one distinction is mentioned here: that which distinguishes between direct and indirect initiatives. Direct initiative is when constitutional amendments or statutes proposed by the people are directly placed on the election ballot and then submitted to the people for their approval or rejection. In such direct initiatives, the legislature has no role. Indirect initiative, on the other hand, is when statutes or amendments that are proposed by the people must first be submitted to the legislature; in some cases, legislatures are allowed to submit to the people an alternative proposal on the same subject as the initiated proposal. Although the distinction between direct and indirect initiatives is certainly important in terms of popular efficacy, it is largely neglected in this research. The number of microstates with this device is so small that a systematic observation of the distinction becomes meaningless.

The referendum concept is complex and invites several distinctions and classifications (e.g., Suksi, 1993, pp. 5–9). Here, a distinction is introduced between constitutional referenda on the one hand, and policy votes on the other. A constitutional referendum signifies a constitutionally required referendum for an amendment of the constitution. Policy votes, again, occur when the legislature or another authorized institution or actor, such as the President or the Cabinet, submits propositions to the people for their approval or rejection. This can be in the form of legislative referenda when the people are called upon to accept or reject a bill, or in the form of consultation, when matters other than a law or a bill are submitted to the people. Quite often, such consultations are in fact votes of confidence in disguise on the policies of the government or the Head of State (Suksi, 1993, pp. 10). Indeed, “referenda are held infrequently, usually only when the government thinks that they are likely to provide a useful *ad hoc* solution to a particular constitutional or political problem,” it is said in a text that summarizes a good deal of research on the referendum device (Butler & Ranney, 1978, p. 221). The referendum method has been widely used in the countries of the world, and for a variety of purposes. According to one count, over 1,000 referenda have been held worldwide during 1791–1998; of these, the constitutional

referendum accounts for 39.6% of all referenda (Sussman, 2002).

The empirical distribution of microstate cases in direct democracy categories is given in Table 2, which takes the form of a typology. Three dichotomized dimensions are used and crossed, in relation to provisions for constitutional referenda, policy votes or popular initiatives, respectively. From this exercise, eight types or cells emerge. One cell remains empty: there are no cases that have the popular initiative but no other form of direct democracy. One cell captures one country only: San Marino is the only microstate that has the popular initiative and the policy vote but no constitutional referendum. Only two states, namely Iceland and the Maldives, have the policy vote but no other forms of direct democracy. Again, there are only two countries that have the constitutional referendum and the popular initiative but not the policy vote, and there are only three countries that have the constitutional referendum and the policy vote but not the popular initiative. Four countries house all three forms of direct democracy: Andorra, Belau, Cape Verde and Liechtenstein. The vast majority of microstates are in fact in one of two categories. A total of 17 countries (40%) have the constitutional referendum but have not introduced other direct democracy varieties, and 13 countries (31%) do not have direct democracy at all. The overall picture, therefore, is one of concentration and similarity rather than dispersion and variety.

Only seven microstates have the popular initiative. Furthermore, the initiative in the former US colonies Belau, Marshall Islands and Micronesia is restricted to constitutional amendments only; this, of course, narrows down the possibilities for direct participation. Since, however, most constitutional amendments in these countries are submitted to popular vote (Anckar & Karvonen, 2002), the right to initiative does entail referenda and is therefore direct in nature. Likewise, the policy vote institution is poorly represented, as it may be found in 10 countries only. Although policy votes may in most of these cases concern a wide range of matters, in some cases they are thematically severely restricted. In Iceland, the use of the institution in fact applies to one quite specific situation only. The President may reject a Bill that nevertheless becomes valid; the Bill must, however, be submitted to referendum for approval or rejection (Constitution, Article 26; also Helander, 1988, p. 257; Petersson, 1994,

Table 2. *Direct democracy in microstates: an empirical typology*<sup>a</sup>

		Constitutional referendum?			
		Yes		No	
		Policy vote?		Policy vote?	
		Yes	No	Yes	No
Popular initiative?	Yes	Andorra* Belau* Cape Verde Liechtenstein**	Marshall Islands Micronesia	San Marino**	
	No	Djibouti Luxembourg Seychelles*	Antigua & Barbuda Bahamas Comoros** Dominica Equatorial Guinea Grenada Guyana Kiribati Malta Nauru St Kitts-Nevis St Lucia St Vincent Samoa** São Tomé Swaziland Vanuatu	Iceland Maldives*	Bahrain Barbados Belize Brunei Cyprus Fiji Monaco Qatar Solomon Islands Surinam Tonga Tuvalu Vatican

\* Less frequent referendum users—one or two referenda.

\*\* Frequent referendum users—three or more referenda.

<sup>a</sup> Countries with no asterisks are nonusers and have not made use of the referendum device.

p. 85). In practice, this situation has never occurred in Iceland. The use of policy votes is also restricted in Belau to one type of issue only: namely, matters concerning the use and testing of harmful substances (Constitution, Article XII, section 6; also Ghai, 1988, p. 23).

In contrast to the rare use of the popular initiative and the policy vote, the constitutional referendum is, as noted, well represented among microstates and small island states. No less than 26 countries have this referendum form, whereas 16 do not. There are, however, differences between the former countries in terms of the extent of use. Whereas the referendum is in full use in the amendment process in some cases, in other cases it is prescribed only for certain types of amendment. Typically these amendments concern the most basic constitutional features. Malta is one example of a country that makes use of a full range of

amendment methods: some amendments may be made by ordinary parliamentary majority, whereas others require a two-thirds parliamentary majority and still others need to be confirmed in referendum (Constitution, section 66). In Nauru, amendments as a rule require a two-thirds majority in the legislative assembly. But for some specific and basic items, such as fundamental rights, finance, and the establishment of assembly, a referendum requirement is added (Constitution, Article 84). Kiribati uses the referendum for fundamental rights issues only (Ghai, 1988, p. 23), and in Samoa, the use of referendum is restricted to one item only, namely the alienation of customary land (Constitution, Article 102; Ghai, 1988, pp. 22–23).

To this classification of country in terms of institutions is added in Table 2 a classification that is about behavior and captures the extent

to which the institutions are actually used. The operational measure is the number of referenda in each country during 1980–99. (For countries that gained independence after 1980, the relevant time span is between the year of independence and 1999.) The data set that has come to use is from a database in German that lists all referenda that have appeared on a worldwide level since 1791; this database is located at the internet-address of the Initiative and Referendum Institute (<http://www.iandrinstitute.org>).

In terms of uniformity, the results in Table 2 resemble the institutional classification of those countries. The groups of frequent users, users, and nonusers are anything but equal. The vast majority of microstates and small island states are in fact nonusers, this category comprising a total of 34 countries (81%), 13 countries with no direct democracy devices and another 21 countries that have one or more devices but have not put them to use. Of the remaining eight countries four, namely Andorra, Belau, Maldives and Seychelles, have implemented 1–2 referenda during the research period, whereas Comoros, Liechtenstein, Samoa and San Marino are frequent users. Liechtenstein is by far the most active user with 27 referenda. Concerning Belau, an interjection needs to be added: during the years prior to independence, this small territory effected a whole series of referenda on the conditions of the Compact of Free Association between United States and Belau (Anckar, Anckar, & Nilsson, 1998, pp. 78–81). In sum, although direct democracy devices exist in most although certainly not all small states, the devices are used very seldom and only by a handful of countries. Direct democracy is clearly not a distinguishing feature of small-sized states.

### 3. COMPARING MICROSTATES

This section compares microstates, aiming at explaining the differences between countries that have come to the fore. This comparison is guided by two specific methodological considerations. First, countries are classified as direct democracy proponents only if they have the popular initiative or the policy vote or both. Thus, the maintaining of a constitutional referendum is not a sufficient condition for a country to qualify as a direct democracy unit. It is evident from the above examination showing that most microstates have this device; it may

therefore be ignored in attempts to discriminate between these states. It is also evident from the examination that the device is in many cases used for restricted amendment purposes only; it is therefore less representative of a country's commitment to a direct democracy. Moreover, this device is perhaps more than others in a compartment of routine and constitutional convention (Fossedal, 2002, p. 90). Second, instead of dealing with separate explanatory factors, this research attempts to grasp configurations of independent variables, the ambition thus being to look for more complex relationships among the proposed causes.

Table 3 reports the findings in the form of a truth table, which is a basic tool of the Boolean algebra approach and presents all possible combinations of the values of the independent variables (Ragin, 1987; Peters, 1998, pp. 162–171). This Boolean analysis, which requires that variables are made into dichotomies, classifies the available cases in terms of presence (Y = Yes) or absence (N = No) of presumed determinants as well as presence or absence of the expected outcome. Four independent variables are tried out. The first is size, diminutive units being compared to larger microstates and a population of less than 100,000 indicating diminutive size. The second is homogeneity, homogeneous units being compared to less homogeneous units. The cutting point is 0.40 on a scale of 0–1 measuring ethnic fragmentation for all countries of the world, higher values indicating a higher degree of fragmentation (Anckar & Eriksson, 1998). The third is colonial background, former British colonies being compared to other states (for operationalizations, see Table 1). The fourth, is insularity, small island states being compared to other microstates (for operationalizations, see Table 1).

There are reasons for choosing these four dimensions. The diminutive size component is introduced to accommodate findings in the research literature on political institutions that suggest the operation of size thresholds even within groups of very small countries (Dahl & Tufte, 1973, pp. 94–95; Anckar, 1997, pp. 253–257). The homogeneity component is introduced to check the assumption that direct democracy, clearly a majority democracy device (Anckar & Karvonen, 2002), is alien to countries that are fragmented and therefore vulnerable to strict applications of majority rule. The introduction of a colonialism variable is based on the fact that direct democracy is

Table 3. *Explaining the use of direct democracy in microstates: a truth table*

Independent variables				Direct democracy cases	
Diminutive size	Homogeneity	Non-British colony	Island	Y	N
N	N	N	N	0	3
Y	N	N	N	0	0
N	Y	N	N	0	1
N	N	Y	N	0	1
N	N	N	Y	0	5
Y	Y	N	N	0	0
Y	N	Y	N	1	1
Y	N	N	Y	1	1
N	Y	Y	N	2	1
N	Y	N	Y	1	4
N	N	Y	Y	2	0
Y	Y	Y	N	2	1
Y	N	Y	Y	1	1
Y	Y	N	Y	0	6
N	Y	Y	Y	1	5
Y	Y	Y	Y	1	0

alien to the Westminster model (Lijphart, 1984, pp. 15–16), which has spread to many former British colonies; accordingly, the expectation is that non-British colonies are more prone than British colonies to introduce direct democracy. Finally, the island variable is introduced to check for an impact of the isolation and intimacy embedded in insularity.

The configurations are, on the whole, not supportive of the theoretical expectations. Diminutive size neither alone nor in combination with other variables systematically produces direct democracy. In fact, nine out of 15 diminutive size cases in the category of no direct democracy countries, the diminutive size factor rather appears to work against the promotion of direct democracy. The fragmentation hypothesis does not work either, as there is no tendency for homogeneous countries to be less suspicious than heterogeneous countries of direct democracy. The situation is in fact somewhat reversed, as one-fourth of the homogeneous countries are direct democracy cases, compared to one-third of the heterogeneous countries. Furthermore, the insularity component is insignificant for fostering direct democracy, as clearly illustrated by the fact that all five cases that are islands but lack other direct democracy characteristics remain outside the camp of direct democracy countries. In addition, of a total of 29 island countries only five are direct democracy cases, whereas 24 are not. Of 13 nonisland countries, on the other hand,

five are direct democracy cases whereas eight are not. The proportions rather suggest that the insularity factor works against direct democracy. Generally speaking, Table 3 shows few pairings of variables producing better results than individual variables.

From Table 3 one lesson may, however be learned: a British colonial background is a checking condition as far as the introduction of direct democracy is concerned. With only few exceptions, whenever there is a case of direct democracy there is also a non-British background, and the lack of a British background is therefore, in a probabilistic sense (Dion, 1998, pp. 136–139), a necessary condition for producing direct democracy in small countries. Of 12 direct democracy countries only two, namely Maldives and Seychelles, have a British background. On the one hand, of 20 countries with a non-British background, half are in the direct democracy group. Other distributions are congruent with the idea of an impact of colonial history. On the one hand, Nauru, Samoa and Vanuatu, which have been colonies of former British colonies or have otherwise been in a Westminster sphere, are all nondemocracy cases, thus lending further support to the British background thesis. All three former US colonies (Belau, Marshall Islands and Micronesia) are direct democracy cases and thus reflect the widespread state-level use of the popular initiative in the United States (e.g., Banducci, 1998; Cronin, 1989, pp. 38–59;

Donovan & Bowler, 1998; Zimmerman, 2001, pp. 147–194).

#### 4. COMPARING MICROSTATES AND LARGER STATES

In the light of the two hypotheses that guide this research, the observations from the preceding section are clearly ambiguous. On the one hand, the popular initiative and the policy vote are in limited use. Only 17% of the cases endorse the initiative and only 24% have the policy vote. It would appear, on the basis of these figures, that the hypothesis that suggests a poor fit between small size and direct democracy stands substantiated. But, since the use of the constitutional referendum is much more common, 62% of the countries having this device, it would appear, on the contrary, that the hypothesis suggesting an adequate fit stands substantiated. Such conclusions are, nevertheless, premature. The impact of size on the maintenance of direct democracy cannot, of course, be decided by means of an examination of small countries only. If the small state pattern reappears in a population of larger states, size obviously makes little difference and both hypotheses then are being falsified. Relevant variation must therefore be introduced: small countries must be compared with larger countries.

The comparison is performed in Table 4, which reports the use of direct democracy devices in four groups of countries. The first group consists of all democracies of the world in 1999 ( $N = 85$ ), the second group, which is a subgroup of the first, consists of the microstate democracies ( $N = 29$ ), the third group, which is a subgroup of the second, consists of the small island democracies ( $N = 22$ ), the fourth group, finally, consists of all democracies that are larger than the microstates and the small island states ( $N = 56$ ). Data are from an ongoing study of the democracies of the world in 1999 (Anckar, in press; also Anckar & Karvonen, 2002).

Unfortunately, precise comparisons cannot be made for the initiative form of direct democracy. This is because no data are available that describe systematically the present spreading of this device among the nations of the world. Scattered observations suggest, however, that the device is anything but common. In the late 1980s only six countries had popular initiative arrangements on a national

level in their constitutions (Suksi, 1993, pp. 146–147). Later developments, it would seem, have entailed a somewhat broader but still quite preliminary interest in the initiative, which has made its way into several of the new constitutions that emerged in Central and Eastern Europe after 1989 (Initiative and Referendum Institute; <http://www.iandrinstute.org/>). The rather tame support among the microstates for the initiative form of direct democracy therefore reflects fairly well a more general situation, and no real difference may be detected between small and large states. Both hypotheses therefore lack support. The same conclusion is valid for a comparison of states that do not apply direct democracy. Of the 29 microstate democracies less than one-fourth (24%) have rejected all forms of direct democracy; among larger democracies the proportion is somewhat but not very much different (34%). Again, therefore, no real difference is to be detected between small and large units.

Concerning other direct democracy methods, however, differences come to the fore. They are anything but uniform. There is, on the one hand, a clear difference between small and larger units when it comes to the introduction of the policy vote system. Whereas this system operates in almost half of the larger democracies, it is used in less than one-fourth of the microstates, and in the small island states to an even lesser extent. From a comparative point of view, then, policy votes are alien to small units. The situation is, however, reversed when it comes to the use of the constitutional referendum. This method is used in more than two-thirds of the microstate democracies and to an even greater extent in small island states; in larger democracies the corresponding portion is a good third only. From a comparative point of view, then, the constitutional referendum is a small unit device. The pattern that emerges from an examination of small units only thus survives a comparative test that involves larger states. Microstates and small island states are underusers of policy votes and overusers of constitutional referenda. Again, therefore: how can this rather puzzling finding be understood and interpreted? What size-related factors operate to advance one direct democracy device and oppose another?

It would appear, however, that the impact of size is restricted. The tendency of microstates to avoid the policy vote is apparently a reflection of diffusion rather than small size. Of 22 microstates with a British colonial background,



Table 4. *Direct democracy in democratic states: microstates and other countries*

	Democracies of the world ( <i>N</i> = 85) (%)	Microstate democracies ( <i>N</i> = 29) (%)	Small island democracies ( <i>N</i> = 22) (%)	Larger democracies ( <i>N</i> = 56) (%)
Popular initiative	Rather few	24	18	Rather few
Policy vote	39	24	14	48
Constitutional referendum	59	69	73	37
No forms of direct democracy	32	24	23	34

only two (9%) have the policy vote, whereas of the remaining 20 microstate cases, no less than eight (40%) are policy vote countries. This pattern is robust, as it survives a comparative outlook. For small size to count when compared to colonial background, the requirement is that large British colonies use policy votes, whereas small ones do not. Upon examination, however, the requirement is not met. As evident from a recent listing of countries with nonrequired referenda (Hug & Tsebelis, 2002, pp. 499–511), democracies that are former British colonies and larger than microstates (Derbyshire & Derbyshire, 1999, Chapter 8) do not use policy votes at all. It therefore follows that British heritage states do not use policy votes, be the states large or small. Of other states, approximately four out of 10 use policy votes, be the states large or small. Size does not count; colonial background does. The relinquishment of small states of the policy vote institution is simply a reflection of the fact that many small states have a Westminster background.

On the other hand, however, the colonial background factor cannot explain why microstates are more often in the camp of countries that resort to a constitutional referendum than are larger states. For the colonial heritage factor to count, the requirement would now be that British colonies, large and small, endorse the constitutional referendum whereas other states make less frequent use of this device. This, however, is not the case. Of small former British colonies a good majority (55%) have the referendum, whereas of larger colonies a third (33%) have the referendum. The pattern is similar to that displayed by other states, 70% of small other states and 37% of larger states having the referendum. The heritage impact is therefore not at evident. In conclusion, then, we find no support for the hypothesis that advocates the redundancy of direct democracy in small and insular settings. Whereas there are in some respects no differences between small and

large units, the one obvious difference that speaks in favor of the hypothesis can be shown to be a reflection of factors other than small size. On the other hand, the hypothesis that advocates a fit between direct democracy and small size stands partially substantiated. Microstates and small island states believe more than other states in the referendum device when it comes to constitutional change and amendment.

## 5. CONCLUSION

The relationship between modernization and democracy is dialectic. On the one hand, modernization fosters democracy. Although the classical thesis that “the more well-to-do a nation, the greater the chances that it will sustain democracy” (Lipset, 1959, p. 75) has met with much criticism and suggestions for revision, economic development has still consistently proved to be a major force behind the rise and stability of democracy (e.g., Diamond, 1992). On the other hand, it is generally believed that democracy fosters modernization and development through a variety of mechanisms. The extent to which this really happens is dependent on many factors, not least the shaping of the democratic institutions and processes. The research in this paper departed from the implicit assumption that, due to their smallness, microstates and small island states make more frequent use than larger states of direct democracy procedures. The expectation was, accordingly, that size makes a difference, molding political structures and institutions. By and large, the assumption has not been proved correct. With a few exceptions, Switzerland being the most prominent one, the countries of the world do not resort frequently to direct democracy, and the small countries do not constitute an exception to this rule. They do house a special inclination to introduce in their

constitutions prescriptions for the constitutional referendum, but are otherwise equally or even more disinterested than large countries in more differentiated instruments of direct democracy. The question whether the small states would benefit in terms of development from a greater emphasis on direct democracy must remain open, as the research on the actual consequences of introducing direct democracy devices is still at best preliminary and suggestive. Likewise, the impact of the size factor as well as the insularity factor on the relation between democratic form and development remains underresearched. It would seem, however, that several of the good performance expectations that are usually ascribed to direct democracy, such as greater political motivation, more social learning, more social integration, higher legitimacy, and others (e.g., Gross & Kaufmann, 2002), are particularly justified in the small and thereby transparent context. In addition, the democratic principle that "as the fountain of sovereign authority, the electorate should have the authority to decide when representative decision making should be replaced by unassembled direct democracy" (Zimmerman, 2001, p. 283) appears particularly appropriate and inborn in the small setting.

In this respect and others, however, small and insular countries appear to be victims of the past. Introducing *Parliamentary Versus Presidential Government*, Lijphart noted that democratic engineers face severe constraints on their freedom of choice, "such as established traditions and basic institutional conservatism" (Lijphart, 1992, p. 25). In particular, Lijphart emphasized the role of culture. While making

reference to a study by Bingham Powell, Lijphart observed that political institutions tend to occur in the world in sharply delineated cultural-regional patterns that have developed because of the strength of particular models (Lijphart, 1992, p. 25). Indeed, the study of Powell that Lijphart quotes clearly shows, in the words of Powell himself, that "the fit between cultural background and constitutional type is very strong" (Powell, 1992, p. 231). As evident from the introductory chapter by Newitt to a volume on the political economy of small islands, this pattern of cultural submission remains strong especially so among small island states, which are at times victims of a metropolitan pursuit of self-interest, at times looked upon as cultural offshoots, and often facing inconsistencies and inequalities in their relations with the former colonial power (Newitt, 1992, pp. 1–10). Small states need, however, to put aside this cultural straitjacket. It has been suggested in recent political economy literature that small states have, contrary to popular belief, several comparative advantages that may promote economic strength and sustainability (Baldacchino, 2000). This idea in fact enjoys rather convincing empirical support (e.g., Anckar, 2002a, 2002c; Armstrong, Joan de Kervenoael, Li, & Read, 1998), and it is not a far-fetched thought, awaiting empirical testing, that the same kind of reasoning applies to the development of political institutions as well. It may well be the case that the uncritical imitating of metropolitan models that now marks the attitude of several small countries toward direct democracy deprives these nations of utilizing to a full extent the advantages of their defining characteristic, namely small size.

## REFERENCES

- Anckar, C. (1997). Size and democracy. Some empirical findings. In D. Anckar & L. Nilsson (Eds.), *Politics and Geography* (pp. 19–42). Sundsvall: Mid-Sweden University Press.
- Anckar, C. (2000). Size and party system fragmentation. *Party Politics*, 6, 305–328.
- Anckar, D. (1997). Dominating smallness: Big parties in lilliput systems. *Party Politics*, 3, 243–263.
- Anckar, D. (1999). Homogeneity and smallness: Dahl and Tufte revisited. *Scandinavian Political Studies*, 22, 29–44.
- Anckar, D. (2002a). Democratic standard and performance in twelve Pacific island states. *Pacific Affairs*, 75, 207–225.
- Anckar, D. (2002b). Valsystem i lilleputtar: pluralitet och diffusion. *Politiikka*, 43, 4–16.
- Anckar, D. (2002c). Why are small island states democracies? *The Round Table*, 365, 375–390.
- Anckar, D. (in press). Between majority and consensus. The 1999 democracies. Manuscript in preparation.
- Anckar, D., & Anckar, C. (2000). Democracies without parties. *Comparative Political Studies*, 33, 225–247.
- Anckar, D., Anckar, C., & Nilsson, L. (1998). Constitutional and political life in the Republic of Belau. *Scandinavian Journal of Development Alternatives and Area Studies*, 17, 75–97.
- Anckar, C. & Eriksson, M. (1998). Measuring ethnic and religious diversity. Occasional papers series,

- No. 10. Department of Political Science, Åbo Akademi University.
- Anckar, D., & Karvonen, L. (2002). Constitutional amendment methods in the democracies of the world. Paper to the XIIIth Nordic political science congress, Aalborg, Denmark, August 15–17, 2002.
- Armstrong, H. W., Jouan de Kervenoael, R., Li, X., & Read, R. (1998). A comparison of the economic performance of different micro-states and between micro-states and larger countries. *World Development*, 26, 539–556.
- Baldacchino, G. (2000). The challenge of hypothermia: a six-proposition manifesto for small island territories. *The Round Table*, 353, 65–79.
- Banducci, S. A. (1998). Direct legislation: when is it used and when does it pass. In S. Bowler, T. Donovan, & C. J. Tolbert (Eds.), *Citizens as legislators. Direct democracy in the United States* (pp. 109–131). Ohio: Ohio State University Press.
- Blais, A., & Dobrzynska, A. (1998). Turnout in electoral democracies. *European Journal of Political Research*, 33, 239–261.
- Blais, A., & Massicotte, L. (1997). Electoral formulas: a macroscopic perspective. *European Journal of Political Research*, 32, 107–129.
- Burkhart, R. A., & Lewis-Beck, M. S. (1994). Comparative democracy: the economic development thesis. *American Political Science Review*, 88, 903–910.
- Butler, D., & Ranney, A. (1978). *Referendums: A comparative study of practice and theory*. Washington, DC: American Enterprise Institute.
- Cronin, T. E. (1989). *Direct democracy. The politics of initiative, referendum, and recall*. London: Harvard University Press.
- Dahl, R. A., & Tufte, E. R. (1973). *Size and democracy*. Stanford: Stanford University Press.
- Derbyshire, J. D., & Derbyshire, I. D. (1999). *Political systems of the world*. Oxford: Helicon Publishing.
- Diamond, L. (1992). Economic development and democracy reconsidered. In G. Marks & L. Diamond (Eds.), *Reexamining democracy: Essays in honour of Seymour Martin Lipset* (pp. 93–139). Newbury Park, CA: Sage Publications.
- Diamond, L. (1996). Is the third wave over? *Journal of Democracy*, 7, 20–37.
- Diamond, L., & Tsalik, S. (1999). Size and democracy: the case for decentralization. In L. Diamond (Ed.), *Developing democracy: Towards consolidation* (pp. 117–160). Baltimore: Johns Hopkins University Press.
- Dion, D. (1998). Evidence and inference in the comparative case study. *Comparative Politics*, 30, 127–145.
- Donovan, T., & Bowler, S. (1998). An overview of direct democracy in the American states. In S. Bowler, T. Donovan, & C. J. Tolbert (Eds.), *Citizens as legislators. Direct democracy in the United States* (pp. 1–21). Ohio: Ohio State University Press.
- Fossedal, G. A. (2002). *Direct democracy in Switzerland*. New Brunswick and London: Transaction Publishers.
- Ghai, Y. H. (1988). Constitution making and decolonisation. In Y. H. Ghai (Ed.), *Law, politics and government in the Pacific island states* (pp. 1–53). Suva: Institute of Pacific Studies, University of the South Pacific.
- Gross, A., Kaufmann, B. (2002). IRI Europe country index on citizenlawmaking 2002. Available: <http://www.Iri-Europe.org>.
- Hadenius, A. (1992). *Democracy and development*. Cambridge: Cambridge University Press.
- Hague, R., Harrop, M., & Breslin, S. (1998). *Comparative government and politics* (4th ed.). London: Macmillan Press.
- Helander, V. (1988). Pohjoismaiden poliittiset järjestelmät. Turku: Turun Yliopisto, valtio-opillisia tutkimuksia, No. 44.
- Helliwell, J. F. (1994). Empirical linkage between democracy and economic growth. *British Journal of Political Science*, 24, 225–248.
- Helu, I. F. (1994). Thoughts on political systems for the Pacific islands. In W. vom Busch et al. (Eds.), *New politics in the South Pacific* (pp. 319–332). Rarotonga and Suva: Institute of Pacific Studies, University of the South Pacific.
- Hug, S., & Tsebelis, G. (2002). Veto players and referendums around the world. *Journal of Theoretical Politics*, 14, 465–514.
- Initiative and Referendum Institute (www page). Available: <http://www.iandrinstitute.org>.
- Karatnycky, A. (2000). A century of progress. *Journal of Democracy*, 11, 187–200.
- Lijphart, A. (1984). *Democracies: Patterns of majoritarian and consensus government in twenty-one countries*. New Haven and London: Yale University Press.
- Lijphart, A. (1992). Introduction. In A. Lijphart (Ed.), *Parliamentary versus presidential government* (pp. 1–27). Oxford: Oxford University Press.
- Lijphart, A. (1999). *Patterns of democracy. Government forms and performance in thirty-six countries*. New Haven and London: Yale University Press.
- Lipset, S. M. (1959). Some social requisites of democracy: economic development and political legitimacy. *American Political Science Review*, 53, 69–105.
- Newitt, M. (1992). Introduction. In H. M. Hintjens & M. D. D. Newitt (Eds.), *The political economy of small tropical islands* (pp. 1–17). Exeter: University of Exeter Press.
- Ogashiwa, Y. (1991). *Microstates and nuclear issues*. Suva: Institute of Pacific Studies, University of the South Pacific.
- Ott, D. (2000). *Small is democratic: An examination of state size and democratic development*. New York: Garland.
- Peters, B. G. (1998). *Comparative politics: Theory and methods*. London: Macmillan.
- Petersson, O. (1994). *The government and politics of the Nordic countries*. Stockholm: Fritzes.
- Powell, G. B., Jr. (1992). Contemporary democracies: Participation, stability and violence. In A. Lijphart (Ed.), *Parliamentary versus presidential government* (pp. 223–235). Oxford: Oxford University Press.
- Ragin, C. C. (1987). *The comparative method: Moving beyond qualitative and quantitative strategies*. Berkeley: University of California Press.

- Suksi, M. (1993). *Bringing in the people*. Dordrecht: Martinus Nijhoff Publishers.
- Sussman, G. (2002). When the demos shapes the polis—the use of referenda in settling sovereignty issues (WWW page). Available: <http://www.iandrinsti-tute.org/>.
- Vatter, A. (2000). Consensus and direct democracy: conceptual and empirical linkages. *European Journal of Political Research*, 38, 171–192.
- Zimmerman, J. F. (2001). *The referendum. The people decide public policy*. Westport, CT: Praeger Publishers.