

The Relationship between Democracy and Economic Development: A Theoretical and Empirical Review

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Abstract: Modernization theory points that economic development helps create a democratic value and institution. However, current studies on the relationship between democratic values and modernization are insufficient in China. This paper finds that while income is not the main source of democratic values, changes in occupation and political sophistication are the main sources.

Keywords: democratic value; modernization theory; economic development.

INTRODUCTION

After years of reform and opening up, China's economic construction has made remarkable achievements. Similarly, the construction and development of democracy has always been a sensitive and sometimes new topic in China. What is democracy and how to realize democracy? What is the function of democracy on earth? Scholars from different countries and different times have different values and political logic. Just as British scholar Andrew Haywood said, "in the world of public things, democracy is probably the most confusing word."

Today, Chinese people are enjoying the unprecedented economic development and social freedom. The resulting productivity and creativity have made a historic leap forward of China's economy [1]. With the continuous development and progress of democracy in China, the public's demand for democracy and political participation has gone beyond the scope of oral and verbal expression [2]. All kinds of "group events" and "network accountability events" emerge one after another, which are related to specific characters, policies and specific interests. This can not help us to reflect on whether China has paid too much attention to the rapid development of the economy and ignored the people's demands for democratic rights. Whether the public's economic and non-economic requirements have reached the stage of a wide range of political demands? Perhaps, just as some scholars have put it, "as long as the people are rich, democracy is one of the things they may ask for." That is to say, with the development of economy, the demand for democracy will be put on the agenda naturally.

In contemporary China, the slogan of "democracy" and "prosperity" has been chanted for years, and the complex and close relationship behind it deserves our further study. For individuals in different development backgrounds, are they more eager for economic development or freedom of rights? In other words, we're going to talk about whether people need democracy or bread. What is the theoretical basis behind it? All of these are the questions need to be explore in this paper.

LITERATURE REVIEW

As an important part of democratic research, democratic values and its complex relationship with economic development have been an essential topic in political research. For a long time, just as one of the goals of the development and progress of human society, economic development has brought prosperity to many developing countries [3]. Scholars of different historical backgrounds have explained the economic development and democratization differently. People's different choice of wealth and freedom of rights lead us to think whether economic development can promote the process of democracy.

Lipset, the founder of modernization theory, explicitly demonstrated the view that economic development promotes political democracy for the first time. The core idea is that economic development will lead to changes in social structure and ideology, and these changes will promote the emergence and stability of democracy. Similarly, Huntington explained the relationship between economic development and democracy in *The Third Wave: Democratization in the Late Twentieth Century*. He believes that the complex relationship between economic development and

democratic is likely to change with time and space changes.

In 1977, American scholar Ronald Inglehart put forward the concept of post-materialism for the first time in his book *The Silent Revolution: Changing Values and Political Styles among Western Publics*, and discussed the relevant principles of post-materialism. The book points out that if the people were concerned with class conflict and the distribution of economic and material wealth in the industrial age, the focus of concern will turn to the ecological environment, lifestyle and quality of life, human rights, civil liberties which are not related to "post-materialistic values and class" in the post-industrial society. That is to say, with the development of economy, the public no longer emphasizes the maximization of economic growth, achievement motivation and legal authority.

Since the 1970s, many scholars have studied the values of the public in the world from a cross-cultural perspective. Among them, Hofstede covers five dimensions of value research, as well as the Inglehart organization led the "World Values Survey" study. In the two of them, the value of Inglehart has the longest duration, the largest scale, the widest range and the greatest impact. Through several large-scale value survey data analysis, the results confirmed his proposed research values of the theoretical paradigm, that is, "post-modernization theory" paradigm. This is considered by the world academics as the most influential cultural theory in recent decades.

The hypothesis of scarcity assumes that the most important subjective values are given to relatively scarce things, which is similar to the theory of diminishing marginal utility in economics. That is to say, in the initial stage of economic development, people mainly demand materialism. Because economic growth and improved material life can improve happiness, then when the economy reaches a certain level, economic growth will bring less happiness. Specifically, people who have often experienced economic deprivation will put economic and security needs in a higher position, such as rapid economic growth and strong national defense. On the other hand, people who live in material life will think that personal ownership, self-expression and civil rights are more important. They will ask for a more humane, more free society.

Socialization hypothesis points that the basic structure of individual personality often need to go through a long period of the formation process. The period of minors often has the most important significance for the formation of personality. According to this hypothesis, a person's basic values reflect his teen years. Because personal values and social values

can not be changed overnight, the change of values is lagging behind. It is the change of basic values that follows the transformation of generations.

The transition from modernization to post-modernization reflects the diminishing marginal utility of economic determinism, and economic factors tend to play a decisive role under the condition of economic scarcity. But with the disappearance of scarcity, other factors influence the choice of countries and individuals increasingly. Just as Maslow's hierarchy of needs put it, if a person lacks food, safety, love, and respect at the same time, the demand for food is most intense, and other needs seem less important. Only when people are freed from the control of physical need can there be more socialized needs, such as the need for security. Most people's hierarchy of needs in a country is directly related to the level of economic development, scientific and technological development, and their education degree.

Now, this conclusion is still applicable to the current Chinese. Studies have shown that Chinese public values has undergone a "modernization" dimension from "traditional values" to "secular rational values", "post-modernization" dimension from "living values" to "happiness values" in the past 10 years [4]. That is to say, compared with the public of 10 years ago, the value of the public in modern China has changed from "modern values" to "post-modern values". They are more emphasis on quality of life, subjective happy and self-expression, the same as many developed countries have undergone decades of change in values. Some scholars believe that the post-materialism in China is closely related to the transition from food and clothing to well-off society [5]. With China's rapid economic development in the past ten years, the per capita annual income of the Chinese public has an increase about \$700 from 1995 to \$2360 in 2007. In terms of international practice, this is the critical point for economic development to achieve post materialism and post-modern values. Today, China's economic development and people's lives have also entered a new stage of quality and progress. In addition, our government is strengthening the social security system now, and experts speculate that these factors will promote the emergence and development of post-modern values in China.

With the gradual spread of post-materialism values, many scholars have begun to integrate post-modernization theory with China's reality, and trying to explore the source of democratic values from an individual's point of view. They start with the basic dimensions of income, education and career, and show that economic development will lead to media exposure increase and political maturity improve. There still have studies shown that the economic development of an

area or the increase of regional GDP is also one of the sources of democratic values.

Now, China is in rapid modernization process, people's values are in the event of a hitherto unknown change. It has become one of the important tasks to study and understand the change of people's values and grasp the trend of changes in the future development of our country.

CONCLUSION

First of all, the development of democracy requires economic development as the basis. If the economy continues to grow, the public's support for democracy will grow. On the contrary, if the economy stagnates, the support for democracy will weaken. Furthermore, only by doing a good job of domestic economic construction can we get the public support for democratic values and push forward the reform. Otherwise, it is difficult to get public support from the centre of economic construction. As Deng Xiaoping said, "without a stable political environment, nothing can be done."

Second, the democratic values of the Chinese public have their own characteristics. The Chinese public has more support for democracy than most countries in the world. Income is negatively related to democratic values. The democratic values of the Chinese public are also universal. From an individual point of view, career, media contacts and political understanding are sources of democratic values, which are consistent with transnational studies. The rise of a professional technical class is conducive to the cultivation of democratic values, thus promoting democratization. Similarly, the more people who read news regularly, the more they know about politics, and the more they support democracy. Political understanding is also a source of democratic values. These findings are consistent with the existing political understanding of democracy: citizens understand politics fully and have relevant information before they can actively participate in politics, thus ensuring the good functioning of the democratic system.

Democracy values are clearly different in rural and urban areas. Economic factors, especially income levels and local economic development, have no significant relationship with democratic values. Third, educational factors are not significant in this study. Of course, there is still controversy over how education affects political values and attitudes. On the one hand, education is an important source of social stratification. People with higher education often benefit from support for marketization and democratization. On the other hand, education is also the source of socialization and the formation of values. The idea of democracy in education spreads subtly to personal values.

Therefore, the relationship between education and thought needs further study.

When we discuss the source of democratic values, we must consider the relationship between democracy and democratic values. In the model, there are many differences between the rural residents and the urban residents' democratic values. On the one hand, it explains the influence of democratic system arrangement on the value; on the other hand, the value will influence the arrangement of the system. Institutional reform can take place in a stormy way, but changes in values take a long time. The democratization of Eastern Europe has revolutionized the system, but the public values of these countries have changed very slowly. Therefore, the relationship between value and the system needs further study.

To sum up, we are delighted to discover that modern Chinese people are moving in the direction of modern values that pay more attention to quality of life. But we also need to pay attention to some of the negative effects of change in values, so as to guide and help people to establish the correct values.

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