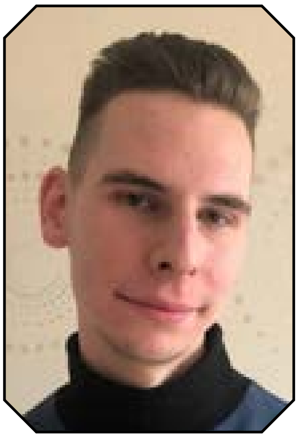
DEBUT STUDIES

Ilia Viatkin, Kristina Komarova

A Loosening Grip: Why Do Autocracies Engage in the Neoliberalization of Their Welfare Sectors?



VIATKIN, Ilia — BA Student, Educational program «Political Science and World Politics», St. Petersburg School of Social Sciences and Area Studies, National Research University Higher School of Economics. Address: 123A Kanala Griboedova embankment, St. Petersburg, 190068, Russian Federation.

Email: iovyatkin@edu.hse.ru

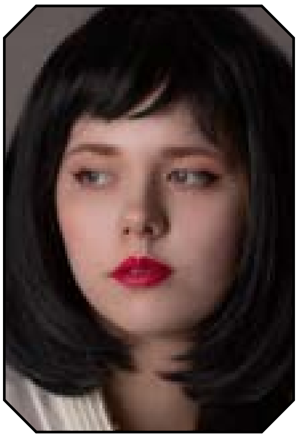
Abstract

Despite the wealth of studies on neoliberalism, research on why authoritarian states engage in processes of neoliberalization remains scarce. Therefore, our article seeks to explore why autocracies use neoliberal power practices, which, as suggested by Foucauldian governmentality approach to neoliberalism, are understood as governance techniques aimed primarily at disciplining and controlling populations through promoting the free market as a key form of societal organization. Empirically, these power practices can manifest in a state's withdrawal from the provision of welfare services. However, scholars have argued that control over the public sector is essential to the maintenance of authoritarian regimes, and hence, governments must have compelling reasons to opt for its neoliberalization. In this study, we employ three mutually nonexclusive theoretical perspectives that suggest incentives that may motivate autocrats to retreat from the welfare sector; these are the authoritarian legitimation, authoritarian modernization, and political economy perspectives. By means of a fuzzy-set qualitative comparative analysis, we tested the foregoing theories on a sample of 42 autocracies active during 1980–2005. The results revealed that authoritarian modernization theory has the highest explanatory capacity, as it identifies two distinct pathways to public sector neoliberalization—internal and external policy considerations or one of the two—while the political economy perspective was an important theoretical concern in several cases. Overall, our paper contributes to research on the governmentality approach to neoliberalism and serves as a departure point for further investigations into neoliberal authoritarianism.

Keywords: authoritarian modernization; authoritarian regimes; governmentality; neoliberalization; power practices; qualitative comparative analysis; welfare state retrenchment.

Introduction

The neoliberal restructuring of economies has attracted a great deal of academic attention since 1990s. The literature is multifaceted and examines the context, causes, and consequences of neoliberal reforms. However, it concentrates predominantly on developed and democratic countries of the Western world, and the conclusions are limited to a description of general patterns of global neoliberalization processes (e. g., [Chomsky 1999; Rose 2000; Comaroff, Comaroff 2001; Plehwe, Walpen, Neunhöffer 2006; Brown 2018]). Meanwhile, the foci of authoritarianism research have been regime collapse and survival strategies, with a general neglect of the "interesting everyday politics of authoritarian rule, consigning this to the realm of case studies by country experts" [Pepinsky 2008: 1].



KOMAROVA, Kristina — BA Student, Educational program «Political Science and World Politics», St. Petersburg School of Social Sciences and Area Studies, National Research University Higher School of Economics. Address: 123A Kanala Griboedova embankment, St. Petersburg, 190068, Russian Federation.

Email: kakomarova@edu.hse.ru

Additionally, there are multiple examples of authoritarian states[1] adopting power practices that essentially replicate the neoliberal governing techniques of Western liberal democracies, which constitute the whole range of neoliberal exceptions [Ong 2006]. It would be erroneous to claim that those exceptions have not been included in the orbit of scholarly analysis, as we can cite a number of descriptive case studies that discuss the use of neoliberal policies by certain authoritarian regimes (e. g., [Bedirhanoğlu, Yalman 2010; Klimina 2011; Liow 2012; Lim 2017; Springer 2017]). However, few of these works have examined the variety of causes that motivate autocrats to resort to neoliberal governance techniques, with the exception of several accounts that nevertheless applied a uniform explanation foregrounding the trend of governments' following the global neoliberal tendencies enforced by the agents of international capitalism (e. g., [Gill 1995; Harvey 2007; Duménil, Lévy 2011]).

To address the gaps described above, our research contains three distinctive features that contribute to its academic relevance: (1) it shifts away from the case study approach and incorporates a significantly greater number of cases in its analysis; (2) it goes beyond uniform explanations of autocracies' adoptions of neoliberal practices and considers a plethora of other determinants; and (3) it focuses on the adoption of specific neoliberal practices instead of the complex neoliberal transformations of autocracies' economies. More broadly, this article contributes to the advancement of knowledge on the issue of neoliberal authoritarianism in that it considers a multitude of cases and presents its findings via a comparative perspective. It is important to note that we concentrated on combination of causes, respecting the principle of causal complexity and equifinality in the social sciences [Braumoeller 2003]. This was reflected in the way we formulated our research question: what combination(s) of conditions compelled autocracies to use neoliberal power practices during 1980–2005? To answer the question and accommodate the research design requirements discussed later in this article, we opted to use a fuzzy-set qualitative comparative analysis (fsQCA) as a key methodological tool.

The remainder of this article proceeds as follows: first, we elaborate on the difficulties of working with the concept of neoliberalism. Next, we examine the conceptualization of neoliberal power practices we used in this study. We continue with a review of the theoretical models that explain the reasons autocrats are motivated to employ neoliberal governance practices, moving on to show how the key concepts of the respective models are operationalized using appropriate data sources. We then describe the fsQCA process and offer an interpretation of our results. Finally, the conclusion gives a summary and critique of our findings.

Neoliberal Power Practices and Authoritarian Regimes

Defining Neoliberalism: Major Traditions and Conceptual Difficulties

In modern empirical research, any attempt to use the concept of neoliberalism entails rigorous criticisms from scholars claiming that what we has been defined as "neoliberal" misrepresents and/or overlooks reality and those convinced that it cannot be measured empirically at all. Indeed, during its brief existence in

[1] We use the terms "autocracy," "dictatorship," and "authoritarian regime (state)" as interchangeable.

academic and public discourses, neoliberalism has been conceptualized as an international relations theory paradigm, a political economy doctrine, and a political project dedicated to restoring the power of elites, to name only a few interpretations [Birch 2015]. Further, as Venugopal highlighted, the term "neoliberalism" has also been used to denote an enormous multitude of empirical objects, including processes, practices, and much else, from the transformations of cities to ecological changes [Venugopal 2015]. This vagueness is difficult to resolve because there is no classical work or author acknowledged by the majority of the scholarly community that can serve as a primary reference in the way that Weber has on the issue of bureaucracy or Almond and Verba have on political culture.

Despite that, in their recent article recognizing the foregoing conceptual problems, Birch and Springer rethought neoliberalism as an analytical tool and attributed critical understandings of it to one of three intellectual traditions: Foucauldian thought, Marxist thought, and the so-called ideational analyses that combine multitude of emerging approaches [Birch, Springer 2019]. Although the authors noted that all three traditions agree on two features of neoliberalism—*the ascendancy of the market ideas* and consequential *alterations in people's behavior and organizational structures*—there are still significant conceptual differences among them [Birch, Springer 2019: 471–478].

The ideational analyses have been primarily concerned with the spread of ideas and the power associated with them. In particular, representatives of this school examine how market thinking has influenced thought collectives and policy makers throughout the world [Jones 2014]. In contrast, the Marxist tradition is far more materialistic, as it is centered around notions of class and capital accumulation. Analysts of that direction tend to perceive neoliberalism as a disguise for a global redistribution of wealth that favors the economic elite [Harvey 2007; Duménil, Lévy 2011]. To explain this perception, key thinkers of the Marxist tradition have incorporated Gramscian ideas of cultural hegemony to address global political and economic restructuring processes [Jessop 2016]. In their view, the process of imposing neoliberalized regimes is uniform, disciplinary, not particularly influenced by country-specific contexts, and driven by globally constituted forces and class interests [Gill 1995].

Proponents of the Foucauldian approach to neoliberal power pay attention to a state's political rationality and the technologies it uses to govern [Foucault 2008; Dardot, Laval 2014; Brown 2015]. While the former refers to modes of remote governing through indirect means, the latter refers to the tendency to economize human life by constructing a specific subjectivity of the "entrepreneurs of the self" [Lemke 2001; Birch, Springer 2019: 479]. Further, Foucauldian tradition is reinforced and conceptually complemented by the field of neoliberalization studies described in Brenner et al.'s influential work [Brenner, Peck, Theodore 2010]. In this paper, we do not focus on the framework they developed by combining the Marxist and Foucauldian perspectives, though what they described as the "governmentality approach" is particularly interesting [Brenner, Peck, Theodore 2010: 199]. They drew clear lines among the holistic and structuralist premises of the Marxist approach and the grassroots context-specific manifestations of neoliberal governmentality. Advancing the latter perspective, they cited Ong's argument prioritizing the investigation of the "discursive and nondiscursive practices" [Ong 2006: 13] that constitute neoliberal rule and calling for researchers to focus on tracing the "migration of governmental techniques and programming technologies, their deployment in diverse sociopolitical settings, and their eclectic translation and operationalization" [Brenner, Peck, Theodore 2010: 199].

Generally, this approach refers to Foucault's thoughts by focusing on the "infiltration of market-driven truths and calculations into the domain of politics" [Ong 2006: 4] and the overall treatment of local governing actors as the core agents of neoliberalization instead of abstract forces of global capitalism, which is the framing of the Marxist paradigm [Larner 2003]. Finally, contextually specific "assemblages" of techniques [Ong 2006: 14] formed in each case of neoliberalization are accentuated, as is the selective deployment or "domestication" [Smith, Rochovská 2007: 1163] of technologies used to pursue neoliberal rule [Ong 2007]. Examples of those technologies (power practices), which are discussed in detail further, are the introduction of market incentives into the operation of the state bureaucracy and the delegation of public goods provision to market forces. Based on that, Ong denotes the selective and incoherent ingraining of neoliberal projects outside the Anglo-American world as spaces of exception since they do not fit conventional analytical models explaining the neoliberalization processes in the developed countries [Ong 2007].

Therefore, our study's theoretical framework rests on the governmentality approach to neoliberalism. This means that we have assumed that local political elites are the key drivers of adoption of technologies that facilitate neoliberal rule selectively appropriating them in accordance with their self-interest rather than simply surrendering to the exogenous "economic tsunami that attacks national space" [Brenner, Peck, Theodore 2010: 199].

What About Neoliberal Authoritarianism?

Most contemporary neoliberalism studies that engage the notion of authoritarianism have concentrated on what could be characterized as "authoritarian neoliberalism" (e. g., [Bruff 2014; Butler 2018; Giroux 2018; Bruff, Tansel 2019]). Such works are unified by Marxist propositions that analyze neoliberalism and approach neoliberal metamorphoses through the prism of the global ruling elite's economic considerations. They assert that neoliberal policies are used as repressive state tools that secure the power positions of the ruling class by suppressing and marginalizing opposition and dissatisfied groups [Bozkurt-Güngen 2018; Bruff, Tansel 2019; Fabry 2019]. This position essentially echoes mechanisms that Poulantzas put forward in his concept of authoritarian statism [Poulantzas 1978: 203–217], thus viewing authoritarianism not as a type of political regime but rather as a manner (uncompromising and violent) in which policy measures are imposed on society and subsequently enforced.

Furthermore, the focus of said studies has been on the package of macroeconomic policies governments introduce under the supervision of international financial institutions (e. g., [Giroux 2018; Bruff, Tansel 2019]). A significant portion of the literature has philosophical implications regarding how neoliberal logic and policies have corrupted Western democracies and the post-socialist and post-colonial worlds [Bruff, Tansel 2019]. At the same time, examinations of neoliberal authoritarianism are still confined to the Latin American neoconservative dictatorships of the late 20th century, the economies of which were testing grounds for grandiose neoliberal experiments (e. g., [Schamis 1991; Roberts 1995; Roman, Arregui 2012]).

Hence, we drew on insights from the growing volume of authoritarian studies, listed in below in the article, to examine instances of neoliberal authoritarianism (i. e., neoliberal rule in modern autocracies). Further, we aimed to have this paper shift attention from the complex neoliberal transformations of national economies in authoritarian environments to targeted neoliberal power practices driven by regime-perpetuating motives rather than purely economic rationales. The distinction between neoliberal policies and practices is delineated in the following section.

Practices versus Policies

The final feature of our research design is our focus on a state's power practices rather than the policies it pursues. The latter pertains to the deliberate and complex actions that governments, authoritarian or otherwise, implement in the hopes of achieving certain economic or social goals [Howlett, Cashore 2014], including neoliberal policies that involve the widespread privatization of state property, austerity measures in state budgets, the flexibilization of labor laws, and the disempowerment of unions. In contrast, the power practices of neoliberal governmentality refer to the patterns of exercising power that serve the singular goal of enforcing the state's role as an instance of control manifested in a plenitude of forms, as articulated by the Foucauldian perspective on neoliberalism described above [Lazzarato 2009].

As can be seen, neither concept distinguishes between democratic or authoritarian policies or practices. Therefore, neoliberal practices and how authoritarian regimes employ them are examples of what will serve as an outcome variable in our research. The core neoliberal principle characterizing an entire set of empirical testimonies is the superiority of markets over other forms of organization, mainly state control. One category of such practices involves techniques that expand market mechanisms into spheres not previously considered marketizable.[2]

The most salient illustration of how those practices are internalized by autocracies is the numerous attempts of their leadership to create market-like incentives for the state's executive agencies. This approach has drawn upon the New Public Management paradigm originated in the 1980s, as an attempt to improve quality of public administration. In particular, it have sought to remake some of the cornerstone principles of Weberian rational bureaucracy – job stability, template procedures, and disinterest in the result of work—with the introduction of performance indicators and elements of inter-agency competition for funding along with the decentralization of administrative hierarchies [Hood 1991; Lane 2000]. In other words, it could be compared to the movement toward a more technocratic mode of government that resembles corporate management mechanisms. The adoption of a system of key performance indicators in government bodies, as well as the use of project activities to perform administrative tasks, could be cited as empirical epitomes of neoliberal power practices aimed at the marketization of various spheres of life [Marschke 2002; Libman, Rochlitz 2019].

The second category of neoliberal practices is connected to the selective retreating of the state from realms over which it was once responsible [Navarro 1998]. This may include the state's withdrawal from the provision of public goods, thus allowing private enterprise to occupy the market, or it may refer to the deregulation of a subject-specific legislation and the delegation of political autonomy to local communities. In this context, the delegation of welfare provision to market forces may appear to an autocrat as a financially tempting step. Nevertheless, scholars have recently demonstrated that the public sector is an essential component of authoritarian infrastructural power that cannot be abandoned without bearing the respective political costs of losing public support and leverage over a ramified network of public sector institutions (see: [Forrat 2018; Eibl 2020: 36–38]).

The bottom line is that both categories of neoliberal power practices are important for empirically gauging the essence of welfare sector neoliberalization. However, operationalizing and quantitatively measuring practices of bringing the economy into politics is problematic, since there is scant reliable data on the issues. Meanwhile, the withdrawal of state from the provision of welfare services is much easier to measure because it represents a long-term state project, and the evidence of its implementation can be found in open data sources. Therefore, we used the introduction of neoliberal practices to the public sector as a key empirical indicator of neoliberalization in autocracies.

Theoretical Models Explaining Why Autocrats Prefer Market Control over State Control

This section reviews the key theories on why autocratic regimes launch neoliberal reforms, also conceptualized as adaptive strategies. Framing neoliberal power practices as adaptive strategies allowed us to make use of the rich theoretical apparatus provided by research on the relationship between markets and authoritarianism. In this field, three blocks of literature can be distinguished: studies focused on the legitimization of autocracies, those focused on the modernization of autocracies, and those focused on the political economy perspective.

[2] This strain of thought dates back to Karl Polanyi's idea of the double movement, depicting the development of modern society as the opposition of processes of marketization and counter-process of society's insulation from the impact of market forces [Polanyi 1944].

Legitimization of Autocracies

Gerschewski's crucial work on the legitimization of authorities offers the so-called WZB model[3] of authoritarian resilience based on the "three pillars of stability" [Gerschewski 2013: 14]. The model considers what combinations of high and low levels of legitimization, co-optation, and repression strategies contribute to autocracies' persistence. We contend that what are identified as neoliberal power practices in our paper may constitute a part of a regime's legitimization measures. Gerschewski argued that one needs to estimate the "specific" and "diffuse support of legitimation" of authoritarian regimes [Gerschewski 2013: 18–21]. Specific support is a dictatorship's ability to satisfy popular socioeconomic demands and provide physical security, including law and order [Gerschewski 2013: 18–21]. Diffuse support provides a regime with long-term legitimization reflecting what it "actually is or represents," referring to the intangible support that emanates from a state's ideology, nationalistic and traditionalistic sentiments, or a leader's charisma [Gerschewski 2013: 20].

Thus, a state's partial withdrawal from the public sector may boost the regime's legitimacy for several reasons. Above all, it must be noted that the privatization of state enterprises, budget sequestration, and the redefining of welfare state principles have been integral components in international financial institutions' policy recommendations for developing often-indebted countries. Hence, on the one hand, even a selective adherence to best practices supplemented by an appropriate discursive framing grants autocrats the image of reformer both inside (at least among the progressive circles of policy experts and researchers) and outside their countries, thus enhancing their international recognition. On the other hand, neoliberalization of the welfare sector facilitates the meeting of conditions for obtaining loans from the IMF and World Bank while elevating the country's attractiveness to foreign investors.

Notably, it is the very act of promoting neoliberal practices that gives a dictator additional legitimacy via the foregoing mechanisms, while the effects of those practices on the quality of welfare, the health of the population, and other social indicators is a separate matter.

After considering the above factors, we formulated our first research hypothesis *(H 1)*: *if an authoritarian regime lacks either specific or diffuse legitimacy, it will withdraw from the public sector.*

Authoritarian Modernization

Another explanatory framework can be derived from the developing strain of authoritarian modernization studies (e. g., [Lo, Shevtsova 2012; Gel'man 2017; Foa 2018]). Accounts belonging to this direction have highlighted contextual and structural factors that could stimulate an autocrat's initiation of economic reform—or, as Gel'man and Starodubtsev put it, the "narrow version of modernisation" [Gel'man, Starodubtsev 2016: 99]. As a basic motivation, scholars have emphasized the impact of a state's usually low level of socioeconomic development and poor quality of governance [Gel'man, Starodubtsev 2016: 99–100]. Therefore, the concept of authoritarian modernization implies an autocrat's desire to launch stable economic growth via substantial structural reforms to eventually improve the country's economic performance and citizens' well-being [O'Donnell 1973].

The concept of authoritarian modernization has a lot to do with the notion of the developmental state, designed to account for the economic rises of the authoritarian Asian Tigers in the post-WWII period. Although the concept of developmental state is more context specific and accentuates a socioeconomic development priority, a commitment to the market, and the opening of most economic sectors to foreign competition [Kohli 2004: 1–24], this is not always the case in processes of authoritarian modernization. At the same time,

3 "WZB" stands for "*Wissenschaftszentrum Berlin für Sozialforschung*" ("Berlin Social Science Research Center").

features of the developmental state, such as the insulation of its bureaucracy from societal pressures, the use of repression, and active state intervention into the economy, resonate with the authoritarian modernization paradigm [Ibid.].

In the context of authoritarian modernization theory, the uses of neoliberal power practices align with the narrative autocrats use to justify it. First, given one of the fundamental postulates of the New Public Management literature on the supremacy of markets over state ownership, especially that of authoritarian states, the privatization of welfare services may indeed increase the efficiency of their delivery [Hood 1991]. Moreover, apart from the problem of inefficient management, neoliberalization of the welfare sector reduces the scope of state officials' corruption, as they lose access to public funds and there is an overall decrease in government spending on the maintenance of welfare infrastructure. Second, the application of neoliberal practices in the welfare realm inherently follows the logic of anti-crisis measures, allowing governments to cut budgetary expenses. To support this claim, one can refer to the fact that the marketization of the welfare sector has been a part of austerity regimes advised to and imposed on depressed economies since the 1980s, particularly via the IMF's notorious structural adjustment programs [Simon 2008].

Finally, we hasten to highlight that dictators' desire to amplify their legitimacy should not be perceived as the natural rationale of their attempts to execute real economic reforms. In fact, such undertakings are highly risky, as the vast majority of them have not achieved their goals and have often ended in serious damage to the dictator's legitimacy and their regime's stability [Fürtig 2009: 18–22].

After considering the above factors, we formulated our second research hypothesis (H 2): *if national economic performance and the state's administrative capacity are poor, an authoritarian regime will retreat from the public sector.*

Political Economy Perspective

The two explanatory frameworks discussed above are featured in the sociological and technocratic approaches to understanding the motives of authoritarian governance, as they foreground the perceptional (legitimation) and instrumental (modernization) causes and implications of political decisions. In contrast, the political economy perspective views the public sector as an element in the contractual relationship between a society and regime, one that exists above all for bargaining and the offering of in-kind benefits in exchange for loyalty.

A key scholar of the political economy of dictatorships, Wintrobe proposed an influential rational choice model describing dictators' economic decisions [Wintrobe 2000]. It assumes that dictators seek to maximize their utility, which includes their power and personal consumption (wealth) [Wintrobe 2000: 43–58]. There are two basic ways dictators can maximize their power: increase either repression or popular loyalty. However, dictators face the necessity of allocating budget resources toward personal power (by conducting repression and developing loyalty in citizens) and personal consumption [Wintrobe 2000: 43–58].

Some scholars used Wintrobe's model to justify autocrats' choices to use market mechanisms under certain circumstances. In the most important of these, Forrat argued that market transformations of the public sector can enlarge a dictator's budget by increasing tax revenue by privatizing welfare services and "reducing (the) costs of loyalty" by cutting welfare spending [Forrat 2012: 7–8]. Additionally, the abolition of the ramified infrastructure of public sector institutions deteriorates opportunities for political mobilization through those channels [ibid]. Finally, Forrat contended that the formal retreat of the state from the provision of welfare service does not mean a loss of leverage over it. On the contrary, state retreat is, as a rule, accompanied by the establishment of new forms of regulations and oversight of private enterprise aimed not so much at controlling business efficiency but mitigating political risks. To exemplify the latter, Forrat cited the consequences of Russia's educational reform during 2000–2010 in which the granting of greater financial autonomy to universities was done in tandem with a strengthening of the role of the Russian state as a gatekeeper in the educational services market [Forrat 2012: 11–14].

After considering the above factors, we formulated our third research hypothesis (H 3): *authoritarian regimes withdraw from the public sector if doing so brings substantial financial benefits and the regime can mitigate the political risks of public sector autonomy.*

Alternative Explanations

There are rich theoretical debates about the overall relationships between states and markets, but links between authoritarian regimes and markets are usually blurred or treated as nonessential. Among the extant approaches, we must highlight the Marxist approach and the aforementioned developmental state theory.

The Marxist approach foregrounds the role of capital in pushing its vested interests via state agencies (a phenomenon known as state capture—infiltration of state institutions by clientelist networks of private interests informally influencing decision-making to their own advantage), which is exemplified in our case by an economy's deregulation and shrinking of its public sector [Barrow 1993; Harvey 2007]. However, the majority of cases included in our analysis either lack a powerful national bourgeoisie (e. g., almost all states in sub-Saharan Africa), are relatively rich but have strong state autonomy to protect state interests from big capital influence (e. g., Gulf monarchies), or are post-Soviet countries passing through only the first stages of capital accumulation.

Developmental state theory, meanwhile, shares some affinities with the authoritarian modernization paradigm and implies the ensured functioning of market mechanisms but is accompanied with tangible investments in public sector enterprises [Cumings 1999: 61–92; Wade 2004: 8–34]. The rationale behind it is that advancing national health-care, education, and welfare systems fosters the development of human capital, which is an essential component of economic growth, a key target of developmental states [Rapley 1997: 119–135]. Thus, the very essence of a state that has neoliberalized its public sector contradicts the logic that guides the policy making of a developmental state. Thus, our research hypotheses did not draw on the Marxist approach or developmental state theory.

Research Design

Method: Fuzzy-Set QCA

We used the fsQCA as a core methodological tool in this study, and numerous factors dictated the choice. First, the research question overtly implied a need to reveal the complex causal links behind the instances of the welfare sector neoliberalization in autocracies. Further, after removing all missing values, our sample was restricted to an intermediate number of cases (> 10 and < 50); these were too large for a comparative case study and too small for statistical analysis, but they were ideal for QCA [Berg-Schlosser et al. 2009: 3–5]. Additionally, our analysis met another QCA prerequisite requiring the outcome variable to be dichotomous.

However, the main rationale for the choice of an fsQCA was that it allowed for the unravelling of *multiple* and *complex* causal paths leading to the occurrence or nonoccurrence of the outcome in which we are interested [Ragin 2014: 92–93). Furthermore, while QCA is a methodological technique grounded in the principles of the formal logic of Boolean algebra, fuzzy-set QCA (as opposed to crisp-set QCA) accommodates the use of raw interval data, thus enabling the inclusion of statistical data in the analysis [Ragin 2009: 29–44]. Importantly, QCA assumes the asymmetry of causal relations in the occurrence and nonoccurrence of the outcome [Schneider, Wagemann 2012: 81]. Hence, while our paper seeks to explain the application of neoliberal power practices in autocracies, cases of non-usage of such practices could not be explained by simply mirroring our findings.

Case Selection

The starting point of our analysis is 1980 because the next decade saw the neoliberal economic doctrine become mainstream, as it was implemented by the Raegan administration in the United States and the Thatcher cabinet in the United Kingdom. During the same period, the International Monetary Fund (IMF) and World Bank began to require that developing countries pursue prescribed structural adjustment programs (implying neoliberal transformations of their economies) in exchange for loans. Therefore, our analysis's time frame is in reality open ended, but the last substantial attempts by autocracies to introduce elements of neoliberalization in their public sectors date back to the early 2000s. Thus, we limited our paper's time frame to 1980–2005.

To develop a sample for analysis, we first needed to arrive at a meaningful definition of "autocracy." We stuck to the minimalistic and clear account provided by Geddes, Wright, and Frantz, which is widely applied in contemporary authoritarian studies [Geddes, Wright, Frantz 2014]. They proposed that a country be classified as an autocracy if an executive: (1) obtains power by nondemocratic means (i. e., not by free and fair elections), or (2) achieves power through democratic means but later alters those means, or (3) was elected according to democratic rules but the military obstructs compliance with them or alters them [Geddes, Wright, Frantz 2014: 317]. Accordingly, their comprehensive data set embracing autocratic regimes during 1946–2010 constituted the pool of cases for our empirical analysis. After removing all unavailable data, our sample consisted of 42 autocracies, 27 of which implemented neoliberal practices in their public sectors.[4]

Data Sources and Operationalization of Basic Concepts

The main outcome variable we were interested in was dichotomous and reflected whether a given dictatorship applied neoliberal power practices in its welfare sector. Due to the novelty of our conceptualization, we expected it would be difficult to find quantifiable data, and we therefore proceeded with using qualitative techniques to code the outcome variable. Here, we primarily relied on in-depth analyses of cases via examinations of their corresponding international financial institutions' reports and a review of scholarly literature on the issues. The outcome variable was assigned a value of 1 if the country satisfied the following three criteria (and 0 if it does not): (1) there was a significant cut in government social spending; (2) public sector assets were partially or completely privatized; and (3) there was an abolition or deflation of public social insurance.[5] .

Turning to the operationalization of independent variables, we used several quantitative metrics to gauge the concepts articulated in the previous section. Concerning legitimization and in line with the distinction offered in Gerschewski's pivotal work, we accounted for the *diffuse* (ideologically fueled) and *specific* (performance-oriented) *support of the legitimization* of autocracies [Gerschewski 2013: 18–21]. To do so, we used von Soest and Grauvogel's expert survey on authoritarian claims to legitimacy [Soest, Grauvogel 2017]. The survey contained approximately 300 questions answered by leading specialists and asked to assess the six basic legitimization strategies of a country's most recent regime. The list of strategies included foundational myths, ideology, personalism, international engagement, procedures, and performance. Following the Maerz approach, we classified the former three as *specific* measures and the latter three as indicators of a regime's *diffuse support for legitimization* [Maerz 2020: 72–75].

4 The list of cases is available in Appendix 2.

5 An example of how the outcome variable was coded can be found in Appendix 1.

To estimate authoritarian modernization theory and bearing in mind the multifaceted nature of that framework, we selected several indicators pertaining to countries' socioeconomic conditions, their involvement in international financial networks, and their state capacity. Accordingly, these indicators the *GDP per capita* we obtained from World Bank data [World Bank 2020], the level of *foreign direct investment* as a percentage of GDP provided by the United Nations Conference on Trade and Development data [UNCTD 2020], and the *quality of governance* operationalized via the International Country Risk Guide (ICRG) indicator of the quality of government that we gathered from a "Quality of Government Institute" data set [Teorell et al. 2020]. The latter indicator comprised the mean score of the three ICRG variables: corruption, law and order, and bureaucracy quality scaled at the interval between 0 and 1 [The PRS Group 2014; Teorell et al. 2020].

The measurement of the quality of governance was vital to operationalizing the political economy perspective, though we also employed the variable of *government welfare spending* from a data set "Global State Revenues and Expenditures" covering public finance in developing countries [Richter, Lucas 2016]. It measured combined government expenditures (in U.S. dollars) on education, health, social protection, housing, and other social welfare contributions as a decimal share of total budget revenues. Further, it was advantageous because it supplemented the IMF's country-specific budgetary data that otherwise lacked information on most authoritarian countries with data from the IMF's archived documents.

Coding of Causal Conditions

The procedure we used to code variables was two-fold. First, we used a qualitative inquiry to code the outcome variable: the neoliberalization of the welfare sector. If such an outcome was present for a particular country, we pointed out the year when the corresponding measures began to be implemented. Having specified this date, we used the 10-year period prior to code all other variables (causal conditions). Specifically, we calculated the median values of the respective variables for the 10-year period. In cases in which the outcome did not occur, we applied a similar coding procedure for calculating each variable median value for the 1980–2005 period, although the analyzed period was often shorter due to the unavailability of data. The only exceptions were the diffuse and specific support of legitimization in the constant values of each autocracy we considered [Soest, Grauvogel 2017].[6]

In other words, the chosen coding procedure aimed to increase our findings' internal validity by controlling for possible changes over time in autocracies' socioeconomic performances as well as their intrinsic levels of legitimacy.

Calibration Strategy

As stated, fsQCA allowed us to work with raw interval data, but eventually, we had to transform it by assigning memberships scores (ranging between 0 and 1) to all cases using a specific calibration procedure. This was carried out by setting appropriate threshold values (anchors) for full exclusion and inclusion into one set or another as well as the crossover point (see Table 1).

[6] Dates chosen for the remaining variables' coding and their values for each case can be found in Appendix 2.

Table 1

Anchors for Calibration of Causal Conditions

Set Label	Abbreviation	Source	Fully out	Crossover	Fully in
High specific support for legitimization	LEGS	[Soest, Grauvogel 2017]	0.275	0.6	0.92
High diffuse support for legitimization	LEGD		0.5	0.775	0.9
High-quality of governance	QOG	[Teorell et al. 2020]	0.25	0.475	0.58
High foreign direct investment	FDI	[UNCTD 2020]	0.4	1.25	2.5
High GDP per capita	GDP	[World Bank 2020]	1025	2510	3995
High government welfare expenditure	WELFS	[Richter, Lucas 2016]	0.22	0.34	0.50

To calibrate six legitimization strategies, three of each gauge diffuse (causal condition: *LEGD*) and the other three gauge specific support of legitimization (*LEGS*), we adhered to an approach developed by Maerz, who improved Soest and Grauvogel's calibration procedure [Maerz 2020: 75–76]. Anchors for the variable GDP per capita (*GDP*) were specified following the World Bank's suggestion to use 1,025 and 3,995 USD of GDP per capita as a basis for categorizing a country as either lower-middle or upper-middle income [World Bank 2019]. Our choice of thresholds for the quality of governance (*QOG*) variable reflected in the ICRG indicator that range from 0 to 1 was dictated by both intuition and the coherence of assigned membership with our practical knowledge of specific borderline cases. Via a similar rationale, the thresholds for the government welfare spending (*WELFS*) variable were set so we could differentiate between low and high levels of public sector financing. The foreign direct investment (*FDI*) variable distribution of factual data between the lower quartile, median, and the upper quartile appeared relevant, which was owing to the absence of any insights into what values of FDI as a percentage of a country's GDP should be treated as high or low.[7]

Results and Discussion

After completing each stage of variable encoding and calibration, we carried out the first step of the fsQCA and created a truth table for the neoliberalization of the public sector outcome (*NEOL*). After removing all repeating and logically controversial combinations, 25 rows (minterms) were left in the abbreviated table (i. e., the table in which at least one case was assigned to each row; see Table 2).

7 Table displaying all calibrated values can be seen in Appendix 3.

Table 2

Truth Table for the Outcome *NEOL*

Row	*LEGS*	*LEGD*	*QOG*	*FDI*	*GDP*	*WELFS*	*NEOL*	Consist.*	Explained Cases**
1	0	0	0	0	0	0	1	0.935	DRC, PAK
5	0	0	0	1	0	0	1	0.934	TOG
9	0	0	1	0	0	0	1	0.912	CAM
33	1	0	0	0	0	0	1	0.909	MOR, SUD, SYR
21	0	1	0	1	0	0	1	0.870	EGY
62	1	1	1	1	0	1	1	0.855	KAZ
17	0	1	0	0	0	0	1	0.846	PER, SEN
6	0	0	0	1	0	1	1	0.839	TUN
49	1	1	0	0	0	0	1	0.834	CON, ETH, GAM, IND, JOR
53	1	1	0	1	0	0	1	0.828	ANG, ZAM
50	1	1	0	0	0	1	1	0.806	GHA, UGA, ZIM
25	0	1	1	0	0	0	1	0.801	TAN
57	1	1	1	0	0	0	1	0.764	BUR
38	1	0	0	1	0	1	1	0.757	AZE
64	1	1	1	1	1	1	1	0.732	MAL, MEX
61	1	1	1	1	0	0	0	0.559	CHI, VIE
42	1	0	1	0	0	1	0	0.552	BEL
58	1	1	1	0	0	1	0	0.534	ALG, CUB, IRA
31	0	1	1	1	1	0	0	0.389	BAH
8	0	0	0	1	1	1	0	0.351	GAB
28	0	1	1	0	1	1	0	0.308	KUW
43	1	0	1	0	1	0	0	0.295	OMA
51	1	1	0	0	1	0	0	0.263	QAT, RUS
60	1	1	1	0	1	1	0	0.251	LYB, SAU
59	1	1	1	0	1	0	0	0.179	UAE

**Notes*
* "Consist." stands for consistence level (inclusion score).
** Definitions of case abbreviations are available in Appendix 2.

We chose a liberal inclusion cutoff equal to 0.73, which meant that all rows above that consistency value were considered sufficient for the *NEOL* outcome. The reason for such a choice was that below that value, a sharp drop in consistency scores was observed, while at the 0.74 inclusion cutoff, the case of Algeria emerged among those with a positive outcome, representing a logical contradiction.

Finally, for the logical minimization of the sufficient rows, we set directional expectations assuming the presence rather than absence of all conditions. After that, the procedure of minimization followed the rules of Boolean algebra (the Quine-McCluskey algorithm), resulting in the solution formula below. In it, uppercase letters denote the presence of a causal condition, while lowercase letters denote their absence, "*" stands for logical AND, "+" denotes logical OR, and "= >" indicates the direction of causation.

*qog * gdp + fdi * gdp * welfs + LEGS * LEGD * QOG * FDI * WELFS = > NEOL*

In other words, we identified three equifinal combinations of factors that led to the neoliberalization of the public sector. The first was the low quality of governance (*qog*) and low GDP per capita (*qdp*). The second path also contained low GDP per capita but complemented the low level of foreign investment (*fdi*) and low welfare spending (*welfs*). Meanwhile, the third combination implied high diffuse (LEGD) and specific support for legitimization (*LEGS*) combined with high quality of governance (*QOG*), a significant amount of foreign direct investment (*FDI*), and high welfare spending (*WELFS*). To estimate the share of cases explained by each term of the above solution formula, we supplemented the formula with the corresponding coverage indicators (see Table 3).

Table 3

Intermediate Solution Formula for the NEOL Outcome

Sufficient Paths Connected by Logical OR*	Inclusion Score	Raw Coverage	Unique Coverage
*qog * gdp*	0.905	0.611	0.212
*fdi * gdp * welfsp*	0.925	0.475	0.107
*LEGS * LEGD * QOG * FDI * WELFS*	0.813	0.145	0.073
Overall solution	0.907	0.791	

*Note: Uppercase letters denote the presence of a casual condition, while lowercase letters denote the absence of one.

The raw coverage metric showed that our model was capable of accounting for 79.1% of all cases, a high result for an fsQCA with a pool of 42 cases. The alternative solution formulas (conservative and parsimonious) displayed in Appendix 4 illustrate substantially similar results. While all causal paths included in the conservative solution were subsets of those elaborated in the intermediate one, two combinations listed in the parsimonious solution were identical to those in the intermediate one, while the third combination was a superset of the last three paths of the parsimonious solution.

Considering that the first causal path (*qog * gdp*) was sufficient for the occurrence of an outcome, we can say that it best fits authoritarian modernization theory. On the one hand, a country's underdevelopment is reflected in its low GDP per capita, while poor quality of governance can be interpreted both as a sign of deteriorated socioeconomic conditions and low state capacity. Given the adoption of neoliberal practices in the welfare sectors of those cases, we can infer that an autocrat decided to reduce state presence in the public sector due to its low effectiveness and as a part of their desire to enhance the country's economic performance. Essentially, the described narrative is implied by authoritarian modernization theory.

However, we believe that rather than seeking to revitalize economic growth, autocrats attempt to ensure adequate state capacity to guarantee the manageability of their countries primarily via the stick of government effectiveness but without the carrot of economic benefit (material public goods). This is the case because of the absence of causal conditions of support for legitimization and welfare expenditure for that causal path, which makes them irrelevant to the outcome. Notably, it is by far the most widespread causal path, as it explains more cases than the other two configurations. Further, in addition to the 12 cases not uniquely covered by this solution term, it covers the unique cases of Uganda, Angola, Ghana, Togo, Tunisia, Egypt, Azerbaijan, Zimbabwe, and Zambia.

Our interpretation of the second causal path (*gdp * fdi * welfs*) is less straightforward. Substantially, it also aligns with the authoritarian modernization paradigm because of the confluence of the low GDP per capita, low FDI, and scarce welfare expenses required for public sector neoliberalization to occur. Nonetheless, we should not overlook an important part of this configuration's empirical reality. While low GDP per capita and low budgetary welfare spending pinpoint a state's economic underdevelopment, a low share of FDI in the economy signals a significant addition to the narrative established in the previous paragraph. To understand our thinking, one needs to recall that the prime agents of national welfare marketization are seldom a dictatorships' elites but the international financial institutions promoting those measures as global best practices. As a result, poor autocracies tempted by the opportunity to acquire loans, consent to prescribed policy recommendations and withdraw from their welfare sectors. Furthermore, if structural adjustment programs imply the reform of not only the welfare sector but other branches of the economy and regulatory framework, an autocrat may also create a favorable climate for foreign investors. Money from both loans and investments may be seen to compensate, at least to some extent, for a country's poverty and low state expenditures in the public sector.

Therefore, the second causal path emerged as a representation of authoritarian modernization that is somewhat different from the one described earlier, as it is not driven by the same forces. If we look at the cases explained by the second path, we see that those cases largely overlap with the pool of autocracies in the first path, apart from Burkina Faso, Cameroon, and Tanzania.

Finally, the last causal configuration (*LEGS * LEGD * QOG * FDI * WELFS*) clearly depicts the situation of an autocrat decreasing the costs of loyalty by retreating from the type of welfare provision envisaged by the political economy perspective. The most important factors are abundant welfare spending and high quality of governance. Considered alongside high regime legitimacy and plentiful foreign investment, they entail the adoption of neoliberal practices in the public sector motivated only by an autocrat's desire to increase their own budget. This maneuver is feasible only if a given dictatorship has a high state capacity that allows the autocrat to control the marketized public sector. Although this causal path covers the smallest portion of cases (Kazakhstan, Malaysia, and Mexico), such instances of welfare sector neoliberalization are not covered by any other configuration.

Regarding our hypotheses, we may infer the below.

- The theory of authoritarian legitimization does not account for any adoption of neoliberal power practices, which is why *H 1* was not confirmed in our analysis.

- Authoritarian modernization theory appears to possess the highest explanatory power of all frameworks, as it explains two-thirds of all welfare sector neoliberalization. Therefore, *H 2* was largely confirmed, although we found two distinct mechanisms leading to the adoption of neoliberal practices, distinguishing whether it was purely a matter of internal policy considerations or a mix of external considerations.

- We framed the political economy perspective as important but supplementary, and hence, *H 3* was partially confirmed. We may claim that the political economy approach identifies the unique set of causal conditions that makes it possible to account for the smaller but essential part of empirical reality—that is, to explain cases that may seem deviant if they are understood through the lens of authoritarian modernization theory.

Conclusion

We designed this paper to explain why some authoritarian regimes decide to adopt neoliberal power practices. In the course of our work, we decided to define those practices as acts of state withdrawal from the provision of welfare services. We did this primarily to subject the neoliberalization of a welfare sector to reliable empirical measurement.

The fact that we did not consider a state's retreat from the public sector as a governmental policy but rather a *mode of governing* framed the choice of theories we needed to investigate why a certain dictatorship resorted to that type of power practice. Ultimately, we constructed three distinct but not mutually exclusive pathways leading to the neoliberalization of the public sector, and these were grounded in the theories of authoritarian legitimization (as conceived by the WZB model) and authoritarian modernization as well as the political economy perspective. Despite our assumption of the mutual non-exhaustibility of causal paths leading to the welfare sector neoliberalization, our fsQCA were rather forthright. They proved that the authoritarian modernization paradigm influences autocrats in their adoption of neoliberal practices. Furthermore, two separate causal paths were identified: (1) authoritarian modernization driven by an autocrat's desire to improve the quality of governance over a poor country and (2) authoritarian modernization to back up a regime's foreign financial assistance. Meanwhile, the political economy approach was found to be an important additional explanation of when a dictator uses the neoliberalization of the public sector to increase extracted rent and to reduce costs of loyalty.

Taken together, these results suggest that what we defined as neoliberal power practices are essential tools for autocrats seeking to enforce their power regime rather than use a legitimization strategy to create a façade of good governance. Consequently, the findings of our study contribute both to the interpretation and explanation of the peculiarities of modern autocracies' modes of operation, refocusing academic attention from state policies to power practices. Additionally, this paper complements ongoing theoretical debates on the manifestations and properties of neoliberalism and neoliberalization by stressing the importance of the links between notions of neoliberalism and governmentality. In particular, most research has hued to the paradigm of authoritarian neoliberalism instead of trying to theoretically comprehend and empirically analyze manifestations of *neoliberal authoritarianism*. To offset this while still following the tradition of governmentality studies on neoliberalism, our paper has provided support for the strain of thought that examines the migration, deployment, and domestication of governmental techniques in various political landscapes beyond the Western world. Further, it has shown that autocrats are guided by a combination of rationales when they decide to resort to neoliberal power practices.

The study has limitations. One is the relatively small sample of cases, which was owing to missing data arising from a shortage of available information about authoritarian regimes' performances. Further, as we have already noted, our research focused on only one form of neoliberal practice—the state's withdrawal from the public sector—though we did identify other examples, such as the economization of politics.

However, we sought to overcome the above limits by using different databases and variables of interest. Additionally, it is expected that conducting in-depth case studies employing a purely qualitative methodology would enable the gathering of more insights into the autocracy-specific mechanisms of neoliberal power practices. In the same vein, region-specific patterns may be analyzed using the most similar (context) different outcome approach [Berg-Schlosser et al. 2009: 28–32] focusing on the post-Soviet space, MENA countries, and the states of sub-Saharan Africa.

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Appendices

Appendix 1. Example of the Coding of the Outcome Variable

Table A1.1

Coding the Outcome Variable *NEOL* (Algeria and Angola)

GWF Case Name*	Value of the variable	Content of Neoliberalization	Year of Neoliberalization	Sources
Algeria 92-NA	0	Although Algeria implemented the IMF's structural adjustments in 1994–1999 (including the privatization of state industries, fiscal and banking reform, and trade liberalization), the effort was offset by the significant enlarging of the country's social security system. As a result Algerian social safety nets, one of the most sophisticated among MENA countries, have been characterized by: — social spending as approximately 45% of the state budget during 1985–2005, with health expenses doubling during this period; — a social security system covering 90% of the Algerian workforce in the mid-2000s; — insurance comprising sick pay and disability pensions for the insured and all dependent household members; — the marginal role of private education institutions (the state heavily subsidized public education); and — government scholarships, which, in the 1980s, were provided to 65% of all pupils and almost all university students to study in public education facilities.	–	[Loewe 1998: 127–128; Bustos 2003: 16–18; IMF 2011; Richter, Lucas 2016; Galal et al. 2018: 314–315; Eibl 2020: 62–66]
Angola 75-NA	1	Angola is a rather typical example of a sub-Saharan country and is deemed to have restructured its socialist economy and social protection system in line with the IMF standards during the short respite in its civil war during 1995. These changes included: — the shrinking of the state's presence in the economy, including the privatization of state assets and liberalization of prices to activate market mechanisms; — the cutting of budgetary expenditures for social spending (from 8.2 % in 1992 to 1.4 % in 1995) as a part of measures aimed at tackling the deficit in order to solve the problem of the country's indebtedness; — the undermining of state infrastructural capacity due to the destruction of facilities and the mass fleeing of public sector personnel (doctors, teachers) during the war; — the practical absence of a health insurance system, including vaccinations; and — the de facto transfer of welfare functions to families, NGOs, foreign donors, and the informal economy.	1995	[Addison 2003: 125–141; Gonçalves 2010; IMF 2011; IMF 2017: 9–10, 35–36; Richter, Lucas 2016; Tvedten 2018; World Bank 1999: 34–40, 207–210]

* *Note***:** Case name in the data set collected by [Geddes, Wright, Frantz 2014].

Appendix 2. Raw Data

Table A.2.1

List of Cases and Variables' Raw Values

Case Name	GWF Case Name	Years of Variables' Coding	*LEGS*	*LEGD*	*QOG*	*FDI*	*GDP*	*WELFS*	*NEOL*
ALG	Algeria 92-NA	1980–2005	0.96	0.87	0.492	0.222	1991	0.364	0
ANG	Angola 75-NA	1984–1994	0.87	0.95	0.400	2.148	684	0.294	1
AZE	Azerbaijan 93-NA	1989–1999	0.67	0.73	0.421	1.891	748	0.436	1
BAH	Bahrain 1971-NA	1980–2005	0.55	0.91	0.671	5.461	9191	0.288	0
BEL	Belarus 94-NA	1980–2005	0.79	0.73	0.515	1.030	1530	0.533	0
BUR	Burkina Faso 87-NA	1977–1987	0.97	0.99	0.556	0.133	225	0.304	1
CAM	Cameroon 83-NA	1977–1987	0,55	0.43	0.502	0.981	720	0.204	1
CHI	China 49-NA	1980–2005	1	0.92	0.588	2.731	473	0.197	0
CON	Congo-Brz 97-NA	1977–1987	0.9	0.98	0.379	1.181	861	0.311	1
.	Congo/Zaire 97-NA	1977–1987	0.35	0.73	0.090	0.388	435	0.190	1
CUB	Cuba 59-NA	1980–2005	1	0.98	0.590	0.000	2422	0.550	0
EGY	Egypt 52-NA	1983–1993	0.58	0.92	0.402	3.307	728	0.331	1
ETH	Ethiopia 91-NA	1982–1992	0.95	0.99	0.306	0.025	234	0.258	1
GAB	Gabon 60-NA	1980–2005	0.2	0.58	0.443	1.408	4458	0.350	0
GAM	Gambia 94-NA	1977–1987	1	0.95	0.472	0.170	289	0.303	1
GHA	Ghana 81-00	1977–1987	0.7	0.96	0.208	0.086	354	0.526	1
IND	Indonesia 66-99	1987–1997	0.95	0.95	0.320	0.850	676	0.250	1
IRA	Iran 79-NA	1980–2005	1	0.87	0.514	0.038	2188	0.427	0
JOR	Jordan 46-NA	1982–1992	0.82	0.96	0.449	0.528	1680	0.083	1
KAZ	Kazakhstan 91-NA	1989–1999	0.97	0.95	0.556	3.370	1453	0.545	1
KUW	Kuwait 61-NA	1980–2005	0.25	0.81	0.532	0.130	12775	0.387	0
LIB	Libya 69-NA	1980–2005	0.98	0.96	0.484	0.040	6194	0.745	0
MAL	Malaysia 57-NA	1985–1995	0.73	0.93	0.644	5,0.9	2697	0.404	1
MEX	Mexico 15-00	1984–1994	0.87	0.91	0.482	1.403	3407	0.466	1
MOR	Morocco 56-NA	1975–1985	0.96	0.55	0.448	0.241	747	0.314	1
OMA	Oman 41-NA	1980–2005	0,98	0.73	0.596	0.879	6046	0.146	0
PAK	Pakistan 99-08	1988–1998	0.02	0.46	0.425	0.660	440	0.066	1
PER	Peru 92-00	1982–1992	0.41	0.95	0.306	0.006	1048	0.326	1
QAT	Qatar 1971-NA	1980–2005	0.7	0.99	0.472	1.105	15887	0.240	0
RUS	Russia 93-NA	1980–2005	0.63	0.94	0.456	0.746	2758	0.123	0
SAU	Saudi Arabia 27-NA	1980–2005	1	0.99	0.574	0.066	7338	0.344	0
SEN	Senegal 60-00	1977–1987	0.04	0.95	0.444	0.344	651	0.267	1
SUD	Sudan 89-NA	1983–1993	0.99	0.62	0.204	0.001	565	0.084	1
SYR	Syria 63-NA	1984–1994	0.95	0.27	0.467	0.471	991	0.124	1
TAN	Tanzania 64-NA	1987–1997	0.55	0.95	0.504	0.687	189	0.297	1
TOG	Togo 63-NA	1977–1987	0.35	0.55	0.306	2.119	299	0.233	1
TUN	Tunisia 56-NA	1976–1986	0.25	0.75	0.444	2.043	1123	0.360	1
UGA	Uganda 86-NA	1977–1987	0.96	0.98	0.114	0.044	196	0.407	1
UAE	United Arab Emirates 71-NA	1980–2005	0.99	0.88	0.520	0.115	26902	0.075	0
VIE	Vietnam 54-NA	1980–2005	0.99	0.95	0.493	5.259	278	0.252	0
ZAM	Zambia 96-NA	1994–2004	0.9	0.88	0.452	5.474	565	0.252	1
ZIM	Zimbabwe 80-NA	1977–1987	0.97	0.83	0.474	0.079	789	0.435	1

Appendix 3. Calibrated Data

Table A3.1

Calibrated Set Membership Values

Case Name	*LEGS*	*LEGD*	*QOG*	*FDI*	*GDP*	*WELFS*	*NEOL*
ALG	0.965	0.904	0.619	0.028	0.263	0.608	0
ANG	0.923	0.984	0.272	0.892	0.026	0.243	1
AZE	0.655	0.381	0.331	0.819	0.029	0.854	1
BAH	0.389	0.960	0.996	1.000	1.000	0.220	0
BEL	0.852	0.382	0.757	0.318	0.125	0.972	0
BUR	0.968	0.994	0.905	0.020	0.011	0.292	1
CAM	0.389	0.024	0.683	0.282	0.028	0.034	1
CHI	0.975	0.968	0.960	0.970	0.017	0.029	0
CON	0.940	0.992	0.221	0.440	0.037	0.328	1
DRC	0.094	0.382	0.006	0.048	0.016	0.024	1
CUB	0.975	0.992	0.962	0.013	0.456	0.979	0
EGY	0.455	0.968	0.277	0.992	0.028	0.443	1
ETH	0.962	0.994	0.099	0.014	0.011	0.119	1
GAB	0.026	0.110	0.397	0.592	0.979	0.546	0
GAM	0.975	0.984	0.491	0.023	0.012	0.288	1
GHA	0.715	0.987	0.029	0.017	0.014	0.968	1
IND	0.962	0.984	0.117	0.200	0.026	0.099	1
IRA	0.975	0.904	0.749	0.015	0.345	0.833	0
JOR	0.883	0.987	0.416	0.076	0.162	0.002	1
KAZ	0.968	0.984	0.905	0.993	0.109	0.978	1
KUW	0.040	0.695	0.833	0.020	1.000	0.704	0
LIB	0.971	0.987	0.561	0.015	0.999	0.999	0
MAL	0.768	0.975	0.991	1.000	0.592	0.766	1
MEX	0.923	0.960	0.550	0.589	0.856	0.910	1
MOR	0.965	0.082	0.412	0.029	0.029	0.344	1
OMA	0.971	0.382	0.968	0.217	0.999	0.009	0
PAK	0.005	0.033	0.342	0.115	0.016	0.001	1
PER	0.152	0.984	0.098	0.013	0.052	0.415	1
QAT	0.715	0.994	0.491	0.377	1.000	0.079	0
RUS	0.569	0.980	0.437	0.149	0.620	0.005	0
SAU	0.975	0.994	0.941	0.016	1.000	0.520	0
SEN	0.006	0.984	0.401	0.042	0.024	0.143	1
SUD	0.973	0.160	0.028	0.013	0.021	0.002	1
SYR	0.962	0.004	0.475	0.063	0.047	0.005	1
TAN	0.389	0.984	0.692	0.124	0.010	0.259	1
TOG	0.094	0.082	0.098	0.886	0.012	0.068	1
TUN	0.040	0.433	0.401	0.866	0.060	0.590	1
UGA	0.965	0.992	0.009	0.015	0.010	0.773	1
UAE	0.973	0.922	0.781	0.019	1.000	0.002	0
VIE	0.973	0.984	0.622	1.000	0.012	0.104	0
ZAM	0.940	0.922	0.426	1.000	0.021	0.103	1
ZIM	0.968	0.785	0.498	0.017	0.032	0.851	1

Appendix 4. Alternative Solution Formulas

Table A4.1

Conservative Solution Formulas for the Outcome *NEOL*

Sufficient Paths Connected by Logical OR*	Inclusion Score	Raw Coverage	Unique Coverage	M1	M2
*qog * fdi * gdp * welfs*	0.906	0.368	0.069	0.019	0.019
*LEGD * qog * gdp * welfs*	0.862	0.327	0.043	0.043	0.053
*LEGD * fdi * gdp * welfs*	0.889	0.309	0.044	0.044	0.044
*LEGS * LEGD * qog * fdi * gdp*	0.840	0.261	0.066	0.069	0.069
*legs * fdi * gdp * welfs*	0.912	0.205	0.019	0.066	0.066
*LEGS * LEGD * QOG * FDI * WELFS*	0.813	0.145	0.076	0.076	0.076
*legd * qog * FDI * gdp * WELFS*	0.821	0.062	0.010	0.016	0.010
*legs * qog * gdp * welfsp*	0.916	0.227	0.001	0.029	
*legs * legd * qog * FDI * gdp*	0.904	0.098	0.000		0.029
Solution M1:	0.901	0.901	0.733		
Solution M2:	0.900	0.900	0.732		

Table A4.2

Parsimonious Solution Formulas for the Outcome *NEOL*

Sufficient Paths Connected by Logical OR	Inclusion Score	Raw Coverage	Unique Coverage	M1	M2	M3
*qog * gdp*	0.905	0.611	0.183	0.194	0.194	0.202
*fdi * gdp * welfs*	0.925	0.475	0.107	0.107	0.107	0.107
*LEGS * FDI * WELFS*	0.838	0.172	0.000	0.077		
*LEGD * FDI * WELFS*	0.830	0.178	0.000		0.077	
*QOG * FDI * WELFS*	0.773	0.160	0.000			0.077
Solution M1	0.908	0.795				
Solution M2	0.904	0.795				
Solution M3	0.893	0.791				

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