Abstract

According to the economic approach to political transitions, transitory negative economic shocks can open a window of opportunity for democratic improvement. Testing the theory requires a source of transitory shocks to the aggregate economy. We use rainfall shocks in Sub-Saharan African countries and find that negative rainfall shocks are followed by significant improvement in democratic institutions. Instrumental variable estimates indicate that following a transitory negative income shock of 1 percent, democracy scores improve by 0.9 percentage points and the probability of a democratic transition increases by 1.3 percentage points.

Key words: democratization, transitory economic shocks **JEL codes:** 00, P0