The Xerox Effect: Communication Technology and Political Actions in Autocracy*

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Abstract

We investigate the role that new communication technologies play in the fall of autocratic regimes. For this, we use a unique setting: the distribution of photocopy machines, the Xerox program, in communist Hungary. The photocopy machines were seen as a transformative technology, similar to the expansion and impact of the Gutenberg press. We use newly digitized data on machine allocation between 1985 and 1989 and show that areas with machines are more likely to support democratic values, participate in elections, and establish more entrepreneurial activity in the short and long run. Moreover, we show that adjacent areas are also affected. Our results suggest that new communication technologies help overthrow autocracies by promoting democratic values even when political competition is limited and traditional media is censored.

Keywords: autocracy, democracy, elections, political parties, media, communication technologies

JEL codes: O17, O33, P26, P48, D72, D73, D74

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