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**Managing Diversity and Sustaining Democracy: Ethnofederal versus Unitary States in the Postsocialist World**

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**Abstract**

There are few if any cases of a successful transition from civil war to democracy with federal institutions. This makes it hard to draw conclusions about how the institutional design of the state affects both inter-ethnic relations and the introduction and consolidation of democratic politics. In this report, we address this relationship in a different context and draw insights for the dilemma of power-sharing. In particular, we compare a group of new states that are ethnically diverse, but that diverge from one another in three ways: the design of the state (unitary versus ethnofederal), relations between majorities and minorities, and the introduction and course of democratic politics.