

The Democratic Dilemma

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Successful democracies must strike a difficult balance between the desire to make political elites responsive to the citizens and the need to give these same elites enough autonomy to make decisions in the interests of those citizens. The American constitutional democracy on the one hand and European parliamentary democracies on the other, have historically addressed this dilemma in quite different ways. In recent years the differences seem to be fading away.

Let me begin with a brief introduction to what I mean by the term, ‘democracy.’ It is of course naïve to think of democracy as a political system in which governments simply act according to the demands of their citizens. The reality is that citizens are generally ignorant of and apathetic towards much of what governments actually do. Moreover, no citizen can be expected to be informed on the range of decisions that their government’s routinely decide – from the specific structure of international trade agreements, to the precise level of milk price supports, to the particular tax rate paid at different income levels. Finally, citizen’s preferences are often inconsistent and even incompatible. We want lower taxes *and* increases in public spending on all the good things that government does. We want less government regulation *and* we want the government to punish polluters, protect us against dangerous consumer products and encourage certain types of economic growth and development. We want fewer cars on the road and cheap gasoline.

Thus given the complexity of governance on the one hand and the nature of public preferences on the other, *the reality is that we elect or appoint elites to make these decisions for us.* How we constrain these elites so that they are more likely to do what citizens want (and not what we don’t want) is extremely important and also quite varied.

There are two basic and obvious mechanisms by which elites can be controlled. The first is through elections. It seems rather obvious that politicians have strong incentives to promise to do what citizens want in order to attract their votes. The second mechanism is through constitutional rules. Basic rules can be established as the foundation upon which political decisions are made. All real world democracies combine electoral incentives and constitutional constraints. But a basic difference between American democracy and European Parliamentary democracy is that the US system relies very heavily on constitutional rules, while Parliamentary democracy relies most heavily on electoral incentives.

Limited vs. Purposive Government

American democratic institutions were founded on a very different set of principles than the democratic systems established in Europe many decades later. In the late 1700’s the American revolutionary war unleashed a surge of egalitarian and democratic passions in society that brought the average man into the political sphere. Much to the consternation of most elites in the new America, the various State governments across this fledgling union were soon dominated by farmers, shopkeepers and ordinary folk. The slogans such as ‘All men are created equal’ and ‘No taxation without representation’ were extremely powerful and useful in mobilizing the nation to revolt, but very few American elites seriously considered that they would be taken as literally as they were by average Americans. The response to this predicament was the US Constitution which was specifically created

to allow for democratically elected government while at the same time limiting the power of that government. As the great American historian Gordon Wood described it, the US Constitution was an “*anti-democratic revolution*.” By enlarging the nation, creating a system of ‘checks and balances,’ and constitutionally establishing a set of rules prescribing the responsibilities and powers of different institutions of government, they hoped America would be protected against the pernicious power of majority rule. The new American nation, after all, sat at the edge of a massive and rich continent. Government should be kept out of the way to allow the people to exploit the continent’s natural resources. To achieve this end, political power itself should be constrained and limited. Government should get out of the way.

European parliamentary democracies were established at different times with radically different goals. In most European states, already established elites held power when these nations democratized. Thus unions, worker’s parties and even middle class movements set their sights on seizing power from the established elite. The fundamental idea was to *take* power, not diffuse it. Thus parliamentary democracies evolved into systems where those that won elected office should *not* be constrained by pre-established rules, but should instead be constrained by the will of the voting electorate. While many different institutional forms developed, the basic idea here was to build polities where governments could be authoritative and powerful - not checked, balanced and limited. The key constraint on elected elites should be and was the ballot box. Political parties organized election campaigns and fought for elected office. If the governments so elected did not achieve their promises or otherwise displeased the voters, they could be thrown out of office and new elites could take their place. To be sure, these systems did not always work out so perfectly – especially when too many parties fought for power and therefore the responsibility or accountability was undermined – still the basic principles were quite different from those found in the USA.

The most obvious consequence of these different institutional systems was that the state grew larger in European democracies. The American system of ‘checks and balances’ did exactly what its framers hoped it would do. It constrained government. Even when large majorities of American voters wished for the extension or expansion of public programs (as with National Health Insurance in 1948, 1973 and 1993), America’s fragmented political institutions prevented the growth of government. European democracies were not so constrained and as a consequence their states and their tax burdens grew. By 2005 public spending in the average western European democracy was over 45% of the GDP. In the US it is only slightly over 30% of GDP.

Democracy’s Demise?

I submit that as we enter the 21st century, **both** Europe and America are becoming *less democratic*. There are two reasons for this conclusion. First, because modern media and communications technologies are becoming ever more sophisticated, political elites are becoming ever better at presenting themselves as champions of what citizens want. Focus groups, marketing specialists and public opinion pollsters are now common features of all advanced democracies. In reality this means that politicians are increasingly able to package their image as what citizens want. Remembering that what citizens actually want is often inconsistent or incoherent, this allows political leaders to advance what citizens *want to hear* and downplay that which is uncomfortable. While this development has been more obvious in the US in my view the implications are more severe for Europe. Precisely because European democracies are based on the principle of accountability, it is ever more dangerous when elites become sophisticated in ‘spinning’ their messages and shaping public opinion.

Secondly, the ability to ‘throw the bums out’ is declining in both Europe and America. Interestingly, while this outcome is apparent on both sides of the Atlantic, its sources are quite different. It is well

known that in America elections are about money. The sad reality is that the best way to get money – lots of money – is to already be in office. In the last election over 96 percent of members of Congress who ran for re-election were re-elected. Indeed, it was often noted that members of the US Congress were more likely to be re-elected than members of the Supreme Soviet. One can also scarcely avoid also noticing that just two families (Bush and Clinton) will soon have held the US Presidency for twenty years. If Hillary Clinton does indeed win the next election (remember she has the most money) that reign will be extended to over a quarter of a century. Why do the same people get re-elected year after year in the United States? Is it because citizens are so content with their political system and the decisions made by their elected officials that they want them to stay in office virtually in perpetuity. Obviously, not. Today approximately 7 in 10 Americans believe that they can trust the government to do the right thing most of the time.

In some ways it may appear that democracy in Europe is stronger and healthier than it is in America in this regard. Elections are far more regulated and controlled on this side of the Atlantic. The pernicious influence of money does not appear to corrupt these systems nearly to the extent that it does in the US. Moreover, as elections in France, Sweden and even Italy have recently demonstrated, it does seem possible for citizens to use their electoral power and evict those in power and replace them with a new elite.

Before we open the champagne congratulating ourselves over the vibrancy of European democracies, however, it is worth remembering that an ever increasing number of decisions are being made in Brussels by a technocratic elite which is neither elected nor recallable by the European electorate. The phrase “democratic deficit” is perhaps less popular in the media today than a few years ago, but it is still a very real thing.

It is also worth considering *why* European elites expanded the European Union in the first place. Why wasn't an extended free trade zone enough... leaving the real business of politics and policy in the hands of local/national governments? In my view, the historical comparison the US constitution is striking and recalls the ‘democratic dilemma’ noted early in this essay. Bluntly, the significant extension of power and authority of EU institutions is seen as necessary because political elites believe they need more autonomy.

Even the recent versions EU constitution, much like the US constitution, can be understood as an attempt on the part of the political and economic elite to insulate decision makers from the popular will. To be sure, the recent constitution does give European citizens more power *visa-vie* European institutions. But it would be very difficult to argue that the EU institutions are more democratic than European parliamentary democracies.

American elites over two hundred years ago were frightened of democracy precisely because average citizens increasingly took control of their state governments and passed laws that the elite believed were against their best interests. Similarly, the EU came about in large part because elites feared that citizens would not, or could not, support the tough political choices “necessary” in a globalizing world economy. Too often those with power at the national level (especially unions, public employees, and farmers) used that power to protect themselves from the forces of economic change. In short, because national politicians were increasingly responsive to the demands of their voters, they could not make the kinds of political choices that were required by the modern world economy. Government, in other words, should ‘get out of the way.’ Whether the elite’s vision of the future for Europe was correct or not, there seems little doubt that a key part of the problem was the fact that national political elites were too closely bound to the demands and desires of their voters.

It is significant to note that the writers and designers of the new European institutions seem, implicitly at least, aware of these issues. Thus, the same document that clearly intends to expand the scope and authority of the European Union concomitantly specifies a series of constitutional constraints and limitations on the autonomy of precisely those elites whose power is enhanced with this document. I do not mean to exactly argue that this document represents an “Americanization” of European democracy. But it is curious to consider the implications of the shift from a system where elites are mostly constrained by voters to a system where they are mostly constrained by rules.

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