

The Party Paradox

* **CRISIS** | People are being * **alienated** from the political processes

- acceptance of the political system is declining
 - dwindling voter turnout
 - voters get frustrated with political parties
 - lower rates of party membership
 - diminished levels of attendance at party-sponsored political activities
 - trust in politicians decreases
 - *Fenno's Paradox*: people generally disapprove of the legislative body as a collective but support the individual representative of their own district
 - disenchanted perceived self-efficacy
 - in Germany 94 % believed to have no influence on governments actions, 90 % agree that engaging politically is pointless
 - Gallup poll on subjective well-being
 - frustration not over democracy and politics but over parties and politicians
 - detrimental for democratic legitimation
 - reduced acceptance of presumed legitimacy of state decisions
 - reduced acceptance of the political system altogether

Starting point is the model underlying our notion of democracy

- democracy modeled as aggregation of interests through competition (*Schumpeter*)
 - individual interest
 - elections and votes as decisions in a competition of interests
 - democracy as a procedure of “regulated rivalry” => * **athletes**
- consequences from this competitive set-up
 - intertwined personnel decisions and decisions on subject-matter
 - representation as a depiction of interests
 - permanent competitive aggregation of interests

Why do we have political parties in the first place?

- evolved as a “* **rational response**”
 - to the prevailing historical and institutional circumstances
 - concept of democratic representation
 - analogy of the combustion engine
- representation as a mechanism to map political decisions to the people
- * **combustion engine analogy**

We need political parties: * no democracy without parties

- political parties indispensable tool for a democracy
 - Edmund Burke: “when bad men conspire, the good must associate”
 - E. E. Schattschneider: “modern democracy is unthinkable save in terms of the parties.”
- current setup of political process requires political parties
- political parties structure the political debate
 - pooling political capital
 - platform-building
 - > reduce complexity of policy issues
 - > structure the political agenda
 - > fulfil people’s need for identification
- political parties identify personnel (leadership)
 - recruiting and control of political personnel
 - binding candidates and members in office to the “party ID”
 - sets of values and choice menus, that create the platform
 - the candidates and the elected politicians are accountable to the parties, and the parties are accountable to the voters
 - mitigate information asymmetry
 - principal/agent scenario
 - voters = principals
 - politicians = agents
 - adverse selection: political party as signaling/screening device
- political parties give meaning to elections
 - “indispensable preparatory organization” for elections
 - mobilize the electorate by mitigating the voting paradox
 - in the US, parties increased the political influence of their adherents
 - through bundling vital interests of different groups
 - giving them leverage
- political parties decide on policies
 - one (or a coalition of) platform(s) will win the election and form the government
 - party bound politicians will be determining the political decisions during the term of office
- political parties control decisions
 - control their own elected officials
 - assure their alignment with party interest
 - opposition party tries to show deficits of government policies

But political parties also cause problems: * no democracy with parties

- parties have been subject to harsh criticism
 - Thomas Jefferson: “If I could not go to heaven, but with a party, I would not go there at all”.
 - Jonathan Swift: party “is the madness of many, for the gain of few”
- political parties introduce structural problems into the political process
- structuring political debate
 - parties fixed on partisan or special interests
 - contribute to social division
 - differentiation of political platforms and partisan polarization
 - overstating group differences and social conflicts
- identifying leadership
 - political parties add principal-agent problems
 - monopoly of access to a political career
 - without a party affiliation no prospects to be elected
 - impedes recruiting elites for leadership
 - control over the public sector
 - appoint top bureaucrats
 - judges and audit courts
 - reduces choice of candidates for the voters
 - a number of candidates is factually already “elected” by the party before the election
 - lower quality of candidates
 - reduced competition
 - party identification as the most important selection factor
 - sacrifices quality of candidates
 - bad politicians lead to bad policies
 - strong party ties, less accountability towards the constituents
- giving meaning to elections
 - political parties reduce electoral competition
 - problem of gerrymandering
 - influencing boundaries of electoral districts
 - with the aim to gain political advantages
 - named after Governor Elbridge Gerry of Massachusetts
 - 1812 new borders for the district Essex South, MA to favor the democratic-republican party
 - examples for gerrymandering can be found around the globe
 - less competition leads to less voter turnout
 - parties transform into means for fighting and winning elections
 - policy problems need to be suitable for simple-message campaigns
 - complex issues are reduced to dichotomous decision patterns

- deciding on politics
 - problem of special interests (already discussed earlier)
 - partisan politics are inherently incapable of addressing problems across space and time
- controlling decisions
 - parties have short-circuited the separation of powers (electricity analogy)
 - politicians and bureaucrats are no longer contenders
 - control through judiciary is limited
 - they all “report” to the same party organization
- hence the “Party Paradox”

Why does the competitive aggregation of interests fail?

- orientation towards self-interests leads to behavioral effects
 - self-interested behavior because of a focus on interests
 - competition reduces cooperation
 - economization of political issues
 - »Is Public Choice Immoral?« (Geoffrey Brennan & James M. Buchanan, 1988)
 - knowledge shapes expectations, expectations shape behavior
 - Madisonian approach to devise a system that will not only work with well-behaved actors but also with self-interested or even bad motives can become a self-fulfilling prophecy, a race to the bottom
 - have political parties become *too* successful? (before reading Sam’s contribution)
- competition frame
 - behavior in competitive settings
 - mice experiment (Falk & Szech *Morals and Markets*, Science 2013)
 - market interaction changes how human subjects value harm and damage done to third parties
 - in the experiment, subjects decided between either saving the life of a mouse or receiving money
 - the willingness to kill the mouse is substantially higher in a market setting
 - evolution under competition conditions
 - party-interests/party-competition
- aggregation of interests
 - uncertain what needs to be aggregated
 - difficult to aggregate individual preferences into a decision that maximizes utilities (Arrow vs. Sen)
- do away with myths – we need “good” fair-minded people with other-regarding preferences, and we need deliberation and debate

Result: Party Paradox, political parties no longer the solution, they are “vestigial” (Sam)

What * alternative model could be set up to define democracy and ensure representation?

- interest reconciliation through balancing as a model (as opposed to interest aggregation through competition)
- concord not rivalry
- through the decision-makers
 - identifying and implementing balanced policies
 - by independent political personnel
 - inquisitorial system, role of a judge as leading figure
- separation of self-interests and decision-makers as a modification of the notion of competition
 - discourse and interests
 - no competition of interests
 - organized interests as mechanism to articulate needs

What are the consequences of valuing reconciliation of interests?

- separation of personnel decisions from decisions on a matter
 - direct election of candidates
 - direct decisions on subject matters by either the electorate or elected delegates
- representation as eligible proxy
- might lead to dispensability of political parties