Workshop »Democratic Decay: Causes and Remedies« | WCCL 2022

The Party Paradox

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

— acceptance of the political system is declining
  o dwindling voter turnout
  o voters get frustrated with political parties
    ▪ lower rates of party membership
    ▪ diminished levels of attendance at party-sponsored political activities
  o trust in politicians decreases
  o *Fenno's* Paradox: people generally disapprove of the legislative body as a collective but support the individual representative of their own district
  o 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
  o frustration not over democracy and politics but over parties and politicians
  o 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*)
  o individual interest
  o elections and votes as decisions in a competition of interests
  o democracy as a procedure of "regulated rivalry" => * athletes

— consequences from this competitive set-up
  o intertwined personnel decisions and decisions on subject-matter
  o representation as a depiction of interests
  o permanent competitive aggregation of interests

Why do we have political parties in the first place?

— evolved as a "* rational response"
  o to the prevailing historical and institutional circumstances
  o concept of democratic representation
  o 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
    - o Edmund Burke: "when bad men conspire, the good must associate"
    - o 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)
        - o recruiting and control of political personnel
        - o 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
        - o mitigate information asymmetry
            - principal/agent scenario
            - voters = principals
            - politicians = agents
            - adverse selection: political party as signaling/screening device

    - political parties give meaning to elections
        - o "indispensable preparatory organization" for elections
        - o 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
        - o one (or a coalition of) platform(s) will win the election and form the government
        - o party bound politicians will be determining the political decisions during the term of office

    - political parties control decisions
        - o control their own elected officials
        - o assure their alignment with party interest
        - o 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
  o identifying and implementing balanced policies
  o by independent political personnel
  o inquisitorial system, role of a judge as leading figure

— separation of self-interests and decision-makers as a modification of the notion of competition
  o 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
  o direct election of candidates
  o direct decisions on subject matters by either the electorate or elected delegates

— representation as eligible proxy

— might lead to dispensability of political parties