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The Philosophy of Democracy and the Paradoxes of Majority Rule

Introduction

After forty years of intensive theoretical research, the relationship between social choice and traditional political philosophy is still unclear. For some theorists of democracy, the Arrow theorem and the related results are conclusive proofs that our democratic institutions are deeply defective. Thus, R.P. Wolff uses the results in his *A Defence of Anarchism* as a part of his general attack on the legitimacy of democratic institutions and as a part of his defence of anarchic consensualism (Wolff 1976, 58-67), while Daniel Bell, in *The Coming of Post-Industrial Society*, tries to derive a justification for technocratic elitism from the same results (Bell 1974, 305-13). Such dramatic conclusions are, however, uncommon. Like many welfare economists (cf. Johansen 1987, 439), most normative theorists of democracy have, while perhaps mentioning the results in a footnote, simply ignored them (cf. Dummett 1984, 295-6).

Some theorists of democracy have claimed that the Arrow impossibility theorem and its relatives (among which the most important are the Gibbard-Satterthwaite theorem on the universality of strategic possibilities and the McKelvey theorem on agenda-setters' power) are just mathematical curiosities. This claim has been made several times (see Dahl & Lindblom 1953, 422; Plamenatz 1973, 183-4; Tullock 1967; Spitz 1984, 24-5). However, such a rebuttal implies that some of the postulates used in the theorems are false or meaningless when applied to real democratic procedures. An outright rejection of the relevance of the theorems should be based on a criticism of some specific, identifiable suppositions[1].

The milder version of this criticism is that we do not exactly know the relevance of the theorems, and that empirical evidence for their relevance is missing (on these empirically-grounded doubts, see Chamberlin et al. 1984; Feld and Grofman 1992; Radcliff 1994; Green and Shapiro 1994, ch. 6). Here, the sceptics certainly have a point. Apart from the path-breaking studies of William Riker (1982), there are very few empirical studies on majority cycles or strategic voting in actual, politically important situations. It is an obvious weakness of social choice studies that the examples used are almost invariably hypothetical, simulated, or produced in laboratory conditions. The few examples taken from real life tend to be either politically insignificant or merely anecdotal. The standard answer to this criticism is that actually used decision mechanisms tend to conceal the underlying anomalies. However, if majority cycles and significant strategic voting are common in the real life, it should not be impossible to infer their presence at least in some important cases.

In a series of articles (Lagerspetz 1993a, Lagerspetz 1993b, Lagerspetz 1996b) I have tried to find some real life examples. I have studied one particular example: how cycles and strategic voting have influenced the Finnish presidential elections. If my results are correct, cycles sometimes do appear in real life, in cyclical situations the strategic calculations of politicians play the decisive role, and even majority winners are sometimes rejected because of the strategies adopted by the decision-makers. In the light of this evidence, the problems dealt with the social choice theory are, in this particular context, of extreme importance. Given the crucial

position of the President in the Finnish politics, one cannot understand the recent political history of Finland without grasping at least such basic concepts of social choice as majority cycle or strategic voting. The question is, of course, how far these results can be generalized to apply to other situations. However, after these findings, it is not possible to say that the phenomena discussed in the social choice theories are simply non-existent or irrelevant.

But what it actually is that makes the results of social choice potentially disturbing? Consider the oldest and best known result: the possibility of a majority cycle. In a cyclical situation there exists majorities preferring an alternative A to B, B to C and C to A. This has at least the following consequences:

(1) In a cyclical situation, there is, for every possible political outcome, some coalition of actors who jointly prefer some other outcome and have a power to get it. Thus, we can have endless cycling over political outcomes, unless it is halted by some external factor.

(2) Electoral competition between power oriented political parties or candidates cannot lead into equilibrium, for any selected platform can be defeated by some other – and the outcome of electoral competition is intrinsically unpredictable and arbitrary.

(3) Collective decisions depend on (a) the choice of the voting procedure, (b) the strategies adapted by the voters and (c) the order in which the alternatives are voted on. An interplay of institutional and strategic factors may determine the outcome, even when the cycles are absent.

(4) Social choices from varying agendas vary in an erratic and unreasonable fashion. The outcomes can be affected by adding or removing alternatives. In principle, those responsible for formulating the agenda may produce whatever outcome they like. In practice, they inevitably have a decisive power in at least some situations.

These consequences are bound to be important for any democratic theorist who wants to defend democracy on the basis that it connects political decisions, and the opinions, interests, values, or choices

of the electorate in some systematic way. It does not matter whether democracy is approved because it reveals the general will (Rousseau), or satisfies individual interests in an optimal way (Bentham), or maximizes freedom (Kelsen), or individual autonomy (Graham 1982), or represents a fair compromise (Singer 1973). If the decisions produced by democratic procedures are arbitrary, or highly sensitive to strategic calculations, or dependent on the details of the chosen procedure, all these justifications are problematic.

Riker's Challenge: Liberalism vs. Populism

William Riker's *Liberalism Against Populism* (1982) is certainly the most important attempt to combine the social-choice approach with a normative study of democracy. Most of the work on the subject done after 1982 consists of reactions arised by Riker's pioneering study. In his work, Riker tries to show that because of the logical properties revealed by the social choice theories, the democratic procedures tend produce results which are arbitrary in the sense defined above. The fundamental normative implication of his work is this:

> Outcomes of voting cannot, in general, be regarded as accurate amalgamations of voters' values. Sometimes they may be accurate, sometimes not; but since we seldom know which situation exists, we cannot, in general, expect accuracy. Hence we cannot expect fairness either. (Riker 1982, 236)

Thus, the lack of *fairness* is the central problem. Riker believes that his conclusion has important consequences for our normative theories of democracy. He claims that there are two influential and fundamentally incompatible justifications for democratic institutions. Both are based on certain interpretations of current democratic practices; both also formulate certain ideals of democratic society. One is the *populist justification*. According to it, democracy is fundamentally a matter of finding and implementing the will of the people. All deviations from this norm are, at least *prima facie*, undemo-

cratic and unjust. The most reliable way of finding the will of the people is to use the simple and unlimited majority rule. This omnipotence of majorities can be justified in different ways: it can be based on metaphysical and collectivistic notions of self-government, or on an epistemic belief that majorities are generally right in moral issues. It can also be based on a relativistic background supposition that in the world of conflicting opinions there is no guide on matters of social morality except the opinion of the majority, or, finally, on the (fallacious) inference that the maximization of individual interests, freedom, or autonomy leads to majoritarian conclusions. (Riker 1982, 11-16; Riker 1992, 102-3)

The liberal justification, according to Riker, is that democratic institutions are simply the most reliable means for modern societies to prevent tyranny and to protect the most important social value, individual freedom. The results produced by democratic institutions do not have any deeper meaning or justification; it is the long-run consequences of the general system which provides the justification for individual decisions. The democratic institutions have made permanent use of tyrannical power impossible precisely *because*, as the Arrow theorem and related results show, they tend to work in a random and arbitrary way. (Riker 1982, 241-6) His example is the fate of the late Mrs. Gandhi. During the Emergency Rule, she tried to extend her (and the Congress') power far over the limits allowed by liberal democracy. She was, however, ousted by a coalition of enemies united only in their opposition against her. The coalition was unable to govern, and Congress returned to power, but Mrs. Gandhi's attempt to establish a form of elected dictatorship was defeated. (Riker 1982, 244) Thus, the importance of the results produced by the social choice theories is that they demonstrate the superiority of the liberal conception of democratic institutions.

There are several problems in Riker's presentation of democratic theories. Some critics have challenged Riker's notion of "populism". It has been claimed that the notion is actually a straw man. This critique parallels an earlier discussion raised by Joseph Schumpeter's great work *Capitalism, Socialism and Democracy*. In Schumpeter's case, many critics of his elitist interpretation of democracy claimed that its target, the "classical theory of democracy"

was an arbitrary construct (Pateman 1970, 17-18).

There is some truth in both accusations. Neither Schumpeter's "classical theory" nor Riker's "populism" exist as well defined theories. Nevertheless, both contain some elements common to many important theories, and both make explicit some suppositions generally shared by politicians, journalists, and citizens in democratic countries. Everyday political rhetoric is full of "populist" and "classical" claims, and not only in the Western democracies. The individual decisions and general policies of the State authorities are said to respect or not to respect the Will of the People. Elections and referenda are taken as expressions of that will. Oceans of ink are spilled in discussing whether certain particular institutions (direct vs. indirect elections of Presidents, proportional vs. non-proportional representation, representative institutions vs. referenda) genuinely allow the expression of the popular will. All this discussion and propaganda is meaningless, if Riker's account of democracy is correct. At least in this sense, Riker's "populism" is an important viewpoint, a more influential one than the sophisticated formulations of political philosophers.

However, in constructing his notion of populism, Riker confuses two theses. According to the *moderate thesis*, the will of the people exists at least in some situations and can be discovered by democratic procedures. Furthermore, when it exists, it has a normative significance. The will of the people has a *prima facie* force which has to be weighed against other considerations such as moral rights, the rule of law, the international commitments of the state and so on. Thus, such constitutional limitations of majority rule as supra-majoritarian requirements, bicameralism, constitutional review, or executive veto, are justifiable and even necessary. The moderate thesis is compatible with the traditional liberal-democratic position - the position adopted by, say, the Federalist authors, Benjamin Constant, or Kant. Consider the following formulation of both democratic and liberal principles taken from Constant's *Principes de politique:*

> Our present constitution formally recognizes the principles of the sovereignty of the people, that is the supremacy of the general will over any particular will. Indeed this principle cannot be contested. (...) But it is not true that society as a whole has

> unlimited authority over its members. (...) The assent of the majority is not enough, inany case, to legitimate its acts: there are acts that nothing could possibly sanction. (Constant 1815/1988, 175-7)

The traditional liberal-democratic doctrine was a compromise between populist principles and the principle of individual liberty, not an outright rejection of the former. According to the tradition, the meaningful will of the people exists at least in some cases; when it exists, it should be implemented, unless it is incompatible with other basic values.

The more *extremist* version of the popular will thesis is simply that an unambiguous expression of the will of the people should always be decisive; consequently, the best political system is a system which always realizes the popular will. Direct majoritarian democracy is the ideal; its limitations are inherently undemocratic, and justifiable only by practical necessities. In every important issue, the popular will exists, and is accurately revealed by the correct voting method. This is populism in its pure form[2].

Riker claims to be loyal to the traditional liberal theory, and up to a point, he follows the tradition. Like traditional liberals, Riker sees the various restrictions on majority rule – checks and balances like federalism, bicameralism, supra-majoritarian decision rules, executive vetoes or judicial review – as important, and instrumentally as valuable, as the democratic institutions themselves. The difference between the traditional liberal justification and Riker's version is that traditional liberals nevertheless believe that majoritarian institutions have a disposition to punish bad rulers and reward good ones, that democratic institutions make rulers *accountable* to the public. Therefore, the will of the people still has a role in traditional liberal theories. The notion of accountability is meaningful only if elections can be interpreted as reliable expressions of public opinion. Riker, however, believes that majoritarian institutions treat all rulers with equal arbitrariness. This difference is an important one. The claim that democratic decisions have no deeper meaning is almost as disturbing for a traditional liberal as for a radical democrat. Indeed, it seems that the recent position of Riker (see Riker 1992) is less radical (and, I shall argue, less coherent) than the position adopted in his

earlier work.

Actually, the limitations on majority rule favoured by Riker do not, as such, protect individual liberty. Such devices as the executive veto, bicameralism or supramajoritarian decision rules have one thing in common. They are *non-neutral* – they all favour the *status quo*, whatever that happens to be. In a basically liberal state, they tend to uphold the liberal *status quo*. In earlier centuries, they worked for the basically illiberal ruling classes – e.g. for the slave-owners of the antebellum South[3].

The early "liberals", e.g. Locke, Paine or Jefferson, saw limitations on popular sovereignty as the last defences of the aristocracy. After the French Revolution, liberals began to see the tyranny of the majority as the main danger to individual liberty.

An anti-majoritarian constitution, however, is neither a necessary nor a sufficient condition for a (reasonably) stable liberal regime. Great Britain has, in any international comparison, a good liberal record, but it has no written constitution at all, and the majority in the Lower House of the Parliament is legally omnipotent. In contrast, most Latin American countries adopted their basic political institutions from the USA; the executive veto, bicameralism, constitutional review and federalism are often included in their constitutions. Their history, however, has not been very liberal nor very stable. I am not claiming that formal constitutions do not matter but only that their effect on political processes is much more complicated than constitutional theorists in general, or Riker and his followers in particular, seem to suppose. Probably the most important factor is the degree of consensus on the constitution itself. The Weimar constitution and the Lebanese agreement in 1943 were both rather explicit "social contracts", and, originally, were seen as major steps toward stable liberal systems in countries with an illiberal past. *Ex post facto*, it is easy to point out the inherent defects of those constitutions, but less easy to show that some other constitutional formula would have saved the countries from catastrophe. In the German case, many have argued that a less majoritarian constitution might have prevented the collapse of the Weimar Republic, in the Lebanese case it seems obvious that the veto power possessed by the political groups blocked all roads to peaceful reform.

The fundamental normative problem with anti-majoritarian devices is not that they are anti-majoritarian but that, due to their non-neutral character, they seem to be *unfair*. They do not treat all participants of a democratic process in an equal way[4]. The arbitrary nature of majoritarian methods is replaced by an in-built bias for conservative minorities. Riker's more recent contribution (Riker 1992) makes the problem obvious. After discussing the traditional problem of majority tyranny, Riker labels as "tyrannical" all situations in which there is no obvious majority supporting the decisions – i.e., when the preferences form a majority cycle (Riker 1992, 104-5). The non-tyrannical alternative is to select the *status quo* in such cases (110-13). This rhetoric is potentially inconsistent with the position adopted in *Liberalism Against Populism*. In the latter work, his point was that in cyclical situations *no* deep moral meaning could be attached to the aggregated results. We cannot say that the right thing to do is always to respect the will of the majority, for there is no unambiguous way to construct the will. If cycles are common, the populist requirement always to respect the will of the majority becomes useless. But neither is it reasonable to say that if a particular alternative included in the top majority cycle is selected, the decision is a morally wrong one unless it is the *status quo* solution. According Riker's original (1982) theory, a *status quo* solution is as much or as little tyrannical as any other solution when it is included in a top cycle. Political decisions should be judged as tyrannical or non-tyrannical, not in terms of the popular will, but in terms of how well they respect individual liberty.

However, when the *status quo* alternative is *not* in the top (simple majority) cycle, there is some reason to call a decision which nevertheless selects this alternative as "tyrannical". At least some anti-majoritarian devices, e.g. supra-majoritarian decision rules, have such an effect. But even a method which selects the *status quo* alternative only when it is in the top cycle may look tyrannical if cycles are common and if the *status quo* is usually supported by the same groups. The idea that there is something inherently liberal or antityrannical in antimajoritarian devices is dependent on two suppositions, namely (1) that the *status quo* is in accordance with the liberal principles, and (2) that the decisions determined by the

antimajoritarian rules are on issues central to the liberals. The liberal defence of rules which favour the *status quo* is not dependent on the problem posed by the possibility of cycles.

The contrast made by Riker between American and British politics is revealing this context. Riker condemns the instability resulting from the combination of parliamentary omnipotence and the disciplined two-party system characteristic of British politics (Riker 1992, 114). We may or may not agree with him on this, but the instability he discusses need not be an instance of the cyclical instability analysed in the social choice theories – it may well result from the existence of clear legislative majorities, not from their absence. The British government may have switched back and forth on nationalization issues not because the majorities were cyclical, but because there have been unambiguous legislative majorities for and against nationalization in different periods. Hence, the changes in the British politics may accurately reflect changes in the opinions of the voters. The existence of "instabilities" of this type may be an argument against simple majority rule, but not for the reasons emphasized by Riker.

In the United States, Riker says, it is much more difficult to change general policy than in Britain, but when the change is made, it is likely to be irreversible. He provides two examples. One major change was the New Deal, another was "in civil rights in the period 1957-65" (Riker 1992, 115). The latter example is a surprising one. Should we really see it as evidence of the anti-tyrannical and pro-liberal nature of the American political institutions that, after the Civil War, it took almost a hundred years to secure full political rights for the black population? On the contrary, the example can be used to illustrate how such anti-majoritarian institutions like federalism may effectively work for local tyranny – a point made by Riker himself in an earlier work (Riker 1964, 152-55)[5].

Finally, we may add that Riker's recommendation – that at least in cyclical cases, the right thing to do is to choose the *status quo* – creates new incentives for strategic voting. For under such rule, those wanting to defend the *status quo* are tempted to misrepresent their preferences as if there were a majority cycle.

My conclusion is that different institutional ways of solving the coherence problems of majoritarian institutions *are* potentially prob-

lematical for all democrats, not just for ”populists”. Either they exclude alternatives from discussion and decision, as two-party systems and yes-no -referenda do, or they treat alternatives in an unfair way by favouring the status quo, as supra-majoritarian rules and multicameralism do. In different ways, both methods are likely to produce ”non-decisions” which favour certain groups in society by excluding potential alternatives. The fundamental normative problem created by the impossibility results is not the incoherence of the notion of popular will; it is rather that all institutional solutions for solving or limiting the actual incoherence of political decisions seem to violate our intuitions of fairness or equality. *Prima facie,* this is a problem for traditional liberals as well as for populists and egalitarians. A liberal, unlike a populist, is willing to remove certain issues from the normal majoritarian procedures. But as far as a liberal is also committed to political fairness, he or she has to see this as a compromise between two partially incompatible sets of values. The liberals share with the populists the fundamental presumption that the will of the people should have a decisive role in politics; consequently, there has to be a reliable and normatively acceptable means of finding out what the will is. Thus, both the populists and the liberals are eager to explain the problem away.

A Populist Answer to Riker

In his recent book, Torbjörn Tännsjö (1992) explicitly challenges Riker’s critique of populism. Tännsjö performs a useful task by showing that a ”populist” defence of majoritarian institutions need not be built on collectivistic metaphysics or on the belief of the moral omniscience of majorities. His definition of a majoritarian system is built on two requirements:

> Suppose that there is a set of policy alternatives: X1,X2,...,Xn. In a majoritarian democracy
> (1) if it is the will of the majority that Xi is implemented, then Xi is implemented *because* it is the will of the majority, and

> (2) if (counterfactually), some other alternative Xj were to be the will of the majority, then Xj would be implemented because it is the will of the majority. (Tännsjö 1992, 16-17)

These requirements are needed to establish that the majority really has the power; that its will is not implemented because it happens to correspond to the will of a ruler. There is no need to suppose that the alternative selected by the majority is always the best one. Nor is it required that the will of the majority always picks a unique alternative. It may well be that the will of the majority only limits the set of acceptable alternatives to some subset of alternatives. Tännsjö compares the problems of cyclical majorities to that created by a tied vote (Tännsjö 1992, 21). In both situations, there is no obvious solution derivable from the majority principle itself, but this fact need not disturb us. For Tännsjö, it is enough that whenever the will of the people exists, it is implemented, and that the method used in cases where no such will exists determines the outcome *only* in those cases. For example, if the chairperson has the power to break the tie, the outcome is not determined by the will of the people in tied situations, but there is nothing inherently undemocratic in that. The situation is not different in cases where a majority cycle is broken by some institutional method.

One might remark that even a method of breaking ties may sometimes be an important source of power. Its importance depends on the empirical question of how common the tie situations are. (Consider the power of the Centrist parties in multi-party systems as tie-breakers.) Similarly, the importance of the question of how our decision procedures behave during the presence of cycles depends on the frequency of the cycles and on the importance of the issues decided on. If cycles are omnipresent, and if there is an institutional cycle-breaker, the latter becomes a dictator.

Tännsjö seems to claim that it does not really matter how the cycles are broken. He has, however, a formal criterion for voting systems:

> It should be noted that majoritarian democracy, as here defined, is consistent with the use of many different voting methods. Some-

> thing all voting methods consistent with majoritarian democracy have in common, however, is that, if, in a situation, there exists a unique 'Condorcet winner', that is a unique alternative that can beat all the other alternatives in a simple majority vote, then this alternative is selected as the winner. (Tännsjö 1992, 28)

Thus "the will of the majority" is equated with the existence of a *Condorcet winner*. Tännsjö seems to be unaware of the consequences of his position. Several procedures actually in use in democratic countries do not satisfy this criterion – neither the succession procedure used in many parliaments, nor the plurality, the plurality run off, the alternative vote, the approval and the Borda methods used in elections (see Nurmi 1987, ch. 5.). The standard systems of proportional representation are equally defective in this respect (see van Deemen 1993). Unlike Riker, Tännsjö clearly selects one possible normative requirement as the decisive one. After making this move, however, he seems to be willing to the consider the unanimity rule as an acceptable alternative to majoritarian democracy (Tännsjö 1992, 41-3, 63-71, 93-4), although it does not satisfy his favourite criterion. If both majority and unanimity rules may be compatible with Tännsjö's version of populism, what is wrong with systems which are in some sense "between" them – e.g., the liberal institutions favoured by Riker? Ultimately, Tännsjö supports majoritarian institutions, not because they are fair, but because they provide a 'natural' solution to many conflicts (Tännsjö 1992, 35). This is not very helpful.

A Liberal Answer to Riker

Charles Beitz' work *Political Equality* probably contains the most sophisticated treatment of the notion of political fairness found in contemporary literature. In his book, Beitz devotes a whole chapter to the Arrow-Riker problems (Beitz 1989, ch.3). Beitz is a committed liberal. He accepts the basic points made by Riker against the populist (or, as Beitz says, the "popular will") theories. He agrees

with Riker that "the appearance that social decisions lack 'meaning' is simply an artifact of adopting a conception of 'meaning' that is inapposite in the social realm" (Beitz 1989, 71). The apparent absence of meaning in some situations does not constitute a problem, because social decisions do not have meanings derivable from individual preferences.

Indeed, Beitz' conclusions seem to be even stronger than those of Riker. In his book, Riker still gives certain normative standards for methods of decision-making, and rejects some methods actually used because they give too perverse a response in some situations (Riker 1982, 111-13). We can still say that, in terms of individual preferences, some methods give normatively wrong results. Beitz, however, seems to reject the whole notion of the fair treatment of political preferences:

> in the weak sense, the resolution of a matter of social policy might be said to be 'based on' individual preferences just in case there is *some institutional connection* between the expressed political preferences of the people and the policies carried out by the government. (...) As a definitional matter, the concept of democracy, or 'rule by the people' embodies only the weak view. (Beitz 1989, 55-6; emphasis here)

> ...it appears that the choice among procedures must be based onconsiderations other than the procedure's tendency to yield outcomes that accord with the popular will. (p. 72)

> In general, the defense of majority rule need not claim more than that, suitably constrained, it enables citizens to reach political decisions on the basis of adequately informed deliberation and in a way that avoids predictable forms of injustice. (p. 66)

It is plausible to accept the view that in the selection of a decision procedure different moral and prudential considerations can be relevant. These considerations are necessarily bound to contexts. For example, the problem of choosing a decision-procedure is not relevant in democratic contexts only. Private firms, public organiza-

tions and international associations need decision-procedures, but, in these cases, a procedure's ability to realize the "popular will" is not even a potentially relevant selection criterion. "Adequately informed deliberation" and the exclusion of "predictable forms of injustice" are nevertheless relevant even in these contexts.

However, in municipal political contexts we do have intuitions concerning the fairness of alternative procedures which are stronger than Beitz' "weak sense". In some actual cases the "institutional connection" between preferences and decisions is such that we do not hesitate to call the used methods as *unfair*. For example, aristocratic upper chambers with significant power, unequal distributions of voting power, and gerrymandered constituencies have generally been seen as unfair. They are seen as unfair because, while there is an "institutional connection", even a "predictable and consistent relationship" between the expressed political preferences and the policies carried out, that relationship is an inadequate one. To take a specific example, the electoral laws of Mussolini's Italy, which gave a two-thirds share of all parliamentary seats to the plurality winner, might "enable people to reach political decisions on the basis of adequate information". If the government, unlike that of Mussolini, is willing to respect the constraints of such a procedure, "predictable forms of injustice" could be avoided even in this system. Nevertheless, most people would consider Mussolini's procedure unfair. They have these intuitions because, even if the "will of the people" is a vague and ambiguous notion, some procedures are likely to connect individual votes and collective outcomes in way which violates even the vague and uncertain limits drawn by the concept.

Thus, when accepting Riker's criticism of popular will theories, Beitz carries the criticism too far. Riker himself is quite willing to criticize some decision procedures for their unfair treatment of preferences (1982, 99-113). He does not say that we cannot evaluate the fairness of different methods, but only that, in the presence of three or more policy alternatives, there is no *uniquely* fair method. For example, the ability of a procedure to select a "Condorcet winner" is only one among many possible criteria. This allows for the existence of many procedures which are easily classifiable as unfair. (On different criteria, see also Nurmi 1987.)

Beitz, the liberal, and Tännsjö, the populist, are in agreement that Riker's problem is not a serious one. Tännsjö avoids it by making one possible principle of fairness – the Condorcet criterion – decisive, while Beitz takes the opposite route and claims that the fairness of the decision-procedures employed is not a meaningful problem at all. Both responses are related to ideological arguments. Tännsjö wants to defend a Utopian form of socialism; Beitz tries to show the fundamental fairness of the American political institutions.

However, Beitz recognizes that many other principles we use in evaluating decision procedures do presuppose a general *belief* in the existence of a "predictable and consistent relationship" between expressed preferences and decisions (1989, 74). We can add that they may also presuppose a general belief in the *fairness* of the procedures. For example, people generally think that power should be equally distributed, and they support existing democratic procedures partly for this reason. This is relevant for the various defences of democracy. We may, for example, believe that participation in democratic politics educates citizens and maintains civil virtues (Mill 1861/1977, ch. 3.; Pateman 1970, 42-3); in his more recent article, even Riker accepts a version of this defence (Riker 1992, 110). Democratic institutions may make both the people and the culture better, more civilized, more reflective and more tolerant. But these indirect beneficial effects are likely to be dependent on the general and shared belief that democracy is *directly* in the interests of citizens, that it *really* gives them power to influence decisions and distributes this power in a fair way. People do not participate in politics in order to become more virtuous but in order to realize their ideals and interests. It is easy to find analogies: a novelist may write better books if she falls in love, but she cannot decide to fall in love in order to become a better novelist. She writes better books simply because her life has acquired a meaning other than writing books. Similarly, the good effects of democracy emphasized by the participation theorists are produced only because citizens' do believe that democratic participation is meaningful for other reasons. If the outcomes of democratic processes are bound to be meaningless from the participating citizens' point of view, there is no alternative to cynicism. Surprisingly, Tännsjö seems to be willing to accept this conclusion:

> In the final analysis what speaks in favour of majoritarian democracy is not that it engenders political authority (probably there does not exist any such thing as political authority) but the fact that, in many situations where this is a good thing to have, it engenders a *belief* in political authority. (Tännsjö 1992, 61; emphasis in original)

Thus, for Tännsjö, majoritarian democracy is ultimately a Noble Lie. My conclusion is that the results proved in the theories of social choice are relevant for both liberal and populist theories of democracy. Neither Riker nor his liberal and populist opponents have been able to accommodate the results in a satisfying way. The problem remains.

Rationality Reformulated: Deliberative Democracy

The idea of ”deliberative democracy” is an appealing alternative to ”economic” theories of democracy in general and to Riker’s interpretation in particular. At least some versions of it are clearly influenced by the discourse ethics of Jürgen Habermas, but the basic idea can also be found in the works of such English Idealists as Sir Ernest Barker. Thus, it does not easily fit Riker’s division between ”populist” and ”liberal” theories. According to the deliberative conception, democracy is not, or at least it should not be, just a method of aggregating pre-existing preferences. Rather, it is a specific way of forming and revising opinions (which may or may not be expressed as rankings over alternatives). It is discussion, not voting, that is central in democracy. Consequently, it is the Habermassian communicative rationality, not the instrumental rationality of economists and of utilitarians, which should govern democratic processes.

For some authors, this is enough to show that Riker’s and Arrow’s considerations are normatively irrelevant. It may well be that politicians in the actual world see themselves as just strategic players trying to maximize given interests. This only shows that actual

democratic practices are morally imperfect, but, then, they should be improved – and the social choice models are a part of the problem, not of the solution. At worst, the strategic modelling of political processes may itself maintain and encourage instrumentalist thinking in politics. The deliberative conception of democracy, while being empirically inadequate, shows us a way out of this predicament. Moreover, even in the real world, the instrumentalist picture never tells the full truth about politics.

How is communicative rationality supposed to solve the problem in an ideal world? In a simplified form, the answer is something like this. In the real world, discussion is always limited by ideological distortions, particular interests, social inequality, and even by naked repression of opinions. In the ideal world governed by the rules of communicative rationality, the participants in discussion would have only a single aim, namely to find a rational solution to the practical and theoretical problems. Hence, they would use only the force of argument, and accept statements and policy prescriptions only for rational reasons. The Habermassian supposition is that ideally rational individuals, discussing in an ideal communication situation, would reach a rational agreement on any given issue. Moreover, this is not just a utopia; for we all, as sincere participants in discussion, have implicitly accepted the norms of communicative rationality and the commitment to the search for a rational consensus. In our everyday disputes we often violate these requirements, but they are binding on us nevertheless.

This theory is an appealing one. It possesses the charming simplicity of all great rationalistic programmes. However, its implications for democratic theory are far from clear. Like ”populist” theories, it sees the existing democratic institutions as imperfect compromise solutions. Like many liberal theories, it sees unanimity as the ideal. What we usually have in the real world is a majority consensus based on a less than rational acceptance. The first problem in the theory is why should we suppose that, lacking a rational unanimity, majoritarian democracy is the second best? There are important differences inside the theory of deliberative democracy. James F. Bohman (1990, 99, 107-8) seems to believe that the deliberative conception solves the Arrow-Riker problem of the coherency of

majority rule. Joshua Cohen (1989, 28) and David Miller (1992) make more modest claims. Their basic point was already made by Kenneth Arrow himself: "If voters acted like Kantian judges, they might still differ, but the chances of coming to an agreement by majority decision would be much greater than if voters consulted egoistic values only". The deliberative conception, when generally accepted, creates such a situation. The stronger version of the conception is aptly formulated by Jon Elster:

> The core of the theory, then, is that rather than aggregating or filtering preferences, the political system should be set up with a view to them by public debate and confrontation. The input to the social choice mechanism would then not be the raw, quite possibly selfish or irrational, preferences that operate in the market, but informed or other-regarding preferences. Or rather, there would not be any need for an aggregating mechanism, since a rational discussion would tend to produce unanimous preferences. (Elster 1989, 112)

As Elster himself admits, this sounds rather Utopian. But the problem is a deeper one. The belief behind this view is that ideally rational human beings in an ideal situation are bound to agree on facts *and* values. This, as I said, is a very strong version of rationalist optimism. The usual criticism of this is directed against supposed agreement on values. As Bohman remarks, many political scientists tend to be moral non-cognitivists. They believe that values are ultimately subjective, based on personal choices or emotions. In such theories, rational agreements on values and ends become impossible.

We need not accept such a view on human values. We may admit that morality is potentially a subject of rational discussion and agreement. Morally and politically relevant disagreements among people are not, however, always due to their different moral viewpoints. Consider a disagreement on energy policy. Suppose that all decision makers agree on the most important values relevant to the decision: a certain amount of energy has to be produced, fatal risks should be avoided, the protection of the environment is important, costs should be distributed according to some just scheme, etc. Sup-

pose that the decision-makers are communicatively rational. Nevertheless, they remain as human beings, with limited knowledge and a limited capacity to process knowledge. Is there any inherent necessity that, when faced with the same empirical evidence and the same arguments, they would agree on the possible risks of a major nuclear accident, the probability of the greenhouse effect, or the feasibility of alternative ways of producing energy in the future? If not, if even perfectly benevolent and communicatively rational human beings may end up making different judgements, then the rational consensus does not solve the riddle of politics, not even in the ideal case. To put it more picturesquely: if there were several Gods, all benevolent and omniscient, they would necessarily agree between themselves on every issue. In a society of mere angels, however, its benevolent but not omniscient members have to take vote or use some other "aggregating mechanism". There is still room for disagreement and the results of social choice theories are, in principle, still relevant. Of course, as Albert Weale says, "the paradoxes would not be seen as the proof that the popular will was a meaningless concept, but as revealing the as yet unresolved imperfections of a process of discussion that characterized an adequate concept of collective choice" (Weale 1992, 215). But in a society of imperfect beings there may be no way of solving these imperfections[6].

Other theorists of deliberative democracy (e.g. David Miller and Joshua Cohen) are more modest in their claims. If democratic politics is a moral dispute in which participants are bound to honour certain standards in their argumentation, and are ready to revise their opinions when faced with reasonable arguments, the aggregation problem does not disappear, but it becomes less threatening. In a deliberative democracy, there are endogenous forces which pull towards agreement, and they are related to public discussion:

> (1) Public discussion removes misunderstandings and provides new information available for all. This make factual disagreements less probable.
> (2) Public discussion tends to eliminate narrowly self-regarding preferences which cannot be formulated in universalizable moral terms.

(3) ”Discussion has the effect of turning a collection of separate individuals into a group who see one another as cooperators”. (Miller, 1992, 62)

(4) During the discussion, it is often revealed that there are several underlying policy dimensions. At least in some cases, these dimensions can then be treated separately, not as ”political packages”.

Reason (1) is a clear, and traditional, argument for democratic discussion; as my example on energy choices indicates, it is not always enough. Reason (3) is equally important. Its actual operation, however, depends on the nature of the political culture, and, ultimately, on the nature of the underlying political conflicts in a society. Quite often, binding agreements can be made only in closed rooms, not in public debates. Open, public discussion may actually aggravate the conflicts by forcing people to take a stand and to commit themselves to irrevocable positions[7].

Reasons (2) and (4) deserve a separate treatment. All deliberative theorists emphasize reason (2) and claim that, when respected, it makes democratic agreements more likely. In this, they are opposing a long ”realistic” tradition which begins from Hume and from the Federalists, perhaps even from Hobbes; in our times, it has been supported by Schumpeter and by other ”revisionist” theorist of democracy (cf. Pateman 1970; Barber 1984 on the critique of these theories). According to this tradition, a certain selfishness is virtue in politics as well as on the market. To put it simply, when decision makers are quarrelling on money or power, one may find a satisfying compromise formula and reach something like an agreement. But people making strong moral claims are bound to disagree, because they see their values as absolutes and compromises as dishonourable. Thus, a certain amount of egoism and opportunism in politics may make peaceful solutions more likely.

In spite of the obvious connections between this ”realist” tradition and the views of, e.g., Riker, the social choice theories do not generally support the ”realist” conclusion. For decision-makers who are guided by rational self- (or group-)interest only, and who, consequently, see politics as a pure game of redistribution, are more likely

to produce cyclical majorities. If decision makers are just maximizing their own shares of some divisible good (e.g., money) they are bound to produce endless cycles which are solved only by some external (e.g., institutional) factor. In a quarrel between parties A, B and C, any agreement reached by two of the parties can be upset by a third. It is a major result of social choice theories that in politics there is no counterpart of Adam Smith's invisible hand. Arrow's own opinion was that moral politics, by filtering out purely self-regarding preferences, produces single-peaked preference profiles and makes cycles less likely – for example, by making the Right-Left -dimension all-important. If the existence of cycles is seen as an evil, there is a case for principled politics. But the traditional "realist" theory may still have a point: moral politics also makes serious conflicts more likely. As Riker says, single-peakedness does not prevent a civil war, but at least it guarantees that the war makes sense. (The reason why many civil wars do not make much sense is that the preferences of the parties are not single-peaked.)

Moreover, public debate does not automatically filter out all self-regarding preferences. It does not even compel politicians to mask self-serving demands as universal principles. Political bargains can also be made openly and publicly. Public discussion forces politicians to rely on moral justifications only if their general audience, their voters and supporters, expect that. If people in general see politics as a redistributive game played by rational (group) egoists, the publicity requirement does not change the basic situation. It may well be that the theories of social choice tend to maintain such a strategic view on politics – but from history we know that people, from the times of the ancient Athenians, are quite capable of accepting this kind of view without the aid of any "scientific" social theory.

Even Miller's point (4) goes against some received wisdoms. The "realist" tradition in politics stresses logrolling (combining several issues or dimensions in decisions) and unprincipled compromising as means of reaching stable agreements. Some authors (Tullock 1967) have tried to show that logrolling makes Arrow's theorem irrelevant in actual politics. Against this, social choice theorists have proved that methods like logrolling often tend to *produce* cyclical situations. Thus, if deliberative discussion discourages political pork-

barrel, it may indeed diminish the number of potentially paradoxical situations. Point (4), however, has its extra complications. The decision-makers need not agree on the separability of issues in a given situation. To take an example: for a supporter of the technocratic ideology, the energy issue may be just a matter of efficiency. For a supporter of the Greens, it is essentially linked with a comprehensive social programme. Or, to take another example, the Finnish Centre party is an agrarian movement which is notorious for its ability to create political packages which always contain some economic benefits for farmers. Its opponents usually regard this as extreme opportunism. A Centrist politician may, however, (sincerely or not) claim that for him or her these bargains are matters of principle: the most important ethical goal of the Centre is to protect the agrarian way of life and its ideals in an urban and market-dominated society, and the only way to do it is to ensure that the agrarian class gets its cut from every important economic decision. Political issues are separable or non-separable *from some point of view*, and there is no more reason to expect a consensus on the ”meta-question” of which issues are separable than on the issues themselves.

The moderate case for deliberative democracy is dependent on contingent factors (see Knight & Johnson 1994). Public discussion, more intensive participation and more principled politics may lead to a consensus, or make the existing conflicts even deeper. This is not inconsistent with the claim that it may diminish the probability of paradoxical situations: the polarization of the political field removes the cycles, too. There may be other reasons for supporting the moderate ideal of deliberative democracy. Deliberative democracy may, for example, improve the substantive quality of decisions.

Cycles Welcomed: Pluralist Democracy

Deliberative democrats are attracted by the idea of consensus. Unlike some economic liberals (see Buchanan and Tullock 1962), Conservatives (Calhoun) and anarchists (see Wolff 1976), they do not generally propose that majoritarian institutions should be replaced

by consensual institutions. Instead, they suppose that majoritarian institutions have, under suitable conditions, an inherent tendency towards greater agreement.

Deliberative democracy is not only partly incompatible with traditional liberalism; it is also partly incompatible with the modern version of democratic *pluralism* which has dominated empirically oriented political science, especially in the USA. Like traditional normative theorists, the empirically minded pluralists have largely neglected the results of social choice theory. However, in his path-breaking article, Nicholas Miller (1983) shows how some central issues discussed by the pluralist theorists are related to the results of the social choice theories. Both the social choice theorists and the pluralists are worried about the stability of politics. But, as Miller shows, they mean almost opposite things by ”stability”. For a social choice-theorist, ”stability” is the absence of cycles in a given set of alternatives. For a pluralist, ”stability” is a dynamic property of the system, essentially resulting from a peaceful competition of different groups. This competition prevents the rule of permanent majorities and creates temporary alliances just *because political preferences are often cyclical*. Those preference distributions which, in the social choice approach, are seen as the preconditions for the stability of decisions are precisely the conditions which make the systemic stability discussed in pluralist theories less likely. The most obvious case is the existence of a large and permanent majority. Its existence prevents bargaining and, according to the pluralists, is likely to alienate the minorities from the system. Single-peakedness is also seen as harmful. If all political decisions are made on one (say, the Right-Left) dimension only, there is much less room for compromises. The essential thing in a working pluralist system is that there should be no permanent losers and permanent winners. This can be ensured if preference profiles do not generally create transitive results. To quote Nicholas Miller:

> precisely because social choice is *not* stable, i.e. not uniquely determined by the distribution of preferences, there is some range for autonomous politics to hold sway, and pluralist politics offers almost everybody hope of victory. (Miller 1983, 743)

In my study on the Finnish presidential elections (Lagerspetz 1993b) I have tried to show how this mechanics worked in Finnish society in the thirties. In presidential elections, both in 1931 and in 1937, no clear Condorcet winner could be found in the electoral college. Indeed, in both cases there was probably a full Condorcet cycle in the set of the three main candidates (the set consisted of a Conservative, an Agrarian and a Liberal candidate). The cycle resulted from the fact that there were at least three partly independent political dimensions on which the candidates could be compared: the traditional Right-Left dimension, the constitutional dimension, and the dimension related to linguistic nationalism. In 1931 the Social Democrats, the largest group in the electoral college, supported the Liberal candidate. However, the Conservative candidate was elected; his election was the result of the interplay of the decision procedure (the plurality run-off) and the strategies adopted by the parties. After the election, the Social Democrats were excluded from the governing coalition for six years. Their permanent exclusion might have led to a dangerous polarization of society and to a situation comparable to, e.g., that in Austria in the early thirties. There, the polarization between the Right and the Left created civil unrest which first contributed to the emergence of an authoritarian government and then to the Nazi takeover.

In the Finnish presidential elections in 1937, the candidates were the same as in 1931, and even the distribution of seats in the electoral college was not radically different. This time, however, the Social Democrats made a compromise with the Agrarian Party and supported the Agrarian candidate (who was ideologically quite distant from the Social Democrats, and from their point of view, definitely worse than the Liberal candidate). With the help of the Social Democrats, the Agrarian candidate was elected. Thus, the Social Democrats became acceptable coalition partners for the Agrarians. In the long run, the result was the integration of the Social Democrats into Finnish society.

Some theorists of democracy – especially those with left-wing sympathies – have seen the pluralist theories just as one version of the ”economic” interpretations of politics. For example, Benjamin Barber in his *Strong Democracy* claims that

> pluralist democracy resolves public conflict in the absence of an independent ground through bargaining and exchange among free and equal individuals and groups, which pursue their private interests in a market setting governed by the social contract. (Barber 1984, 143)

In a footnote, Dahl, Downs, Arrow and Riker are all lumped together as ”pluralists”.

As a general description of the theory of, e. g., Dahl, Barber’s statement is quite inaccurate. It is true that in the pluralist theories of democracy bargaining is a central element in the resolution of conflicts over public policy. It is also true that the bargainers are considered to be free, but not necessarily equal, groups. But there is no general supposition that the groups are pursuing their private interests only. What is assumed is that mutually beneficial compromises are possible, and this requires that the bargainers can compare the alternatives. There are not just good and bad, but also relatively good and relatively bad alternatives. Thus, the Finnish Social Democrats, in deciding to support the Agrarian candidate in the 1937 elections, could justify the bargain to themselves in ideological and moral terms. The Agrarian candidate was only their third-best alternative; nevertheless, his election at least ensured that the working-class was not permanently excluded from Finnish politics, and that at least some socially important reforms could be implemented.

This type of pluralism has several normative consequences. First, it provides an answer to the traditional liberal problem of majority tyranny. In a pluralist system majorities cannot tyrannize the minorities, for majorities are only coalitions of different minorities, and those minorities which are at the moment excluded from the ruling coalitions have a possibility of being included in the ruling coalition in the future. Thus, there is less need for supramajoritarian rules and for ”checks and balances”. In this sense, Riker is not a pluralist. Second, for the same reason, pluralism counteracts minority frustration. In a majoritarian democracy, minorities may become alienated not only because their basic rights are violated in a tyrannical way, but because all routine policy decisions are made against their will. The most obvious case is a system in which the majority party has an

ethnic or religious basis. In an ideally working pluralism this does not happen; there are cross-cutting loyalties. Finally, pluralism provides a partial solution to the problem of *intense preferences*. In a pluralist system, the fact that minorities having intense preferences in certain specific issues may be essential coalition partners for other groups ensures that intensity is at least sometimes taken into account in decisions. Thus, pluralist democracy is more fair than majoritarian democracy because it ensures some equality in outcomes.

The message of Miller's interpretation of pluralism is, then, that "the paradox" should be welcomed. The instability of individual decisions is important for the long-run stability of the democratic system. It also means that in pluralist conditions too strong anti-majoritarian constraints may be harmful. If collective preferences are generally intransitive, and if we follow Riker's advice and solve intransitivities by adopting methods of making decisions which favour the *status quo*, we may alienate anti-*status quo* minorities. This is the core of the old wisdom that constitutions should allow a certain flexibility. Supra-majoritarian rules (e.g. the *de facto* veto-right of the constitutional minorities in the former Yugoslavia and in Lebanon) make decisions "stable" in the sense of social choice theories. In the long run, however, they may make the entire system unstable by blocking all roads of peaceful reform.

The pluralist interpretation of intransitivities produces a form of defence for majoritarian institutions. Majoritarian institutions combine two virtues. If a very large majority supports some alternative, that alternative is usually selected. There is no reason to deny that a meaningful "will of the people" in the form of *near unanimity* may exist, at least under some conditions. When one exists, any democratic theory implies that it is at least prima facie binding. For example, at the moment there is no general consensus in former Socialist countries on basic policy issues. However, the will to change the system was a general one. There was no doubt that there existed a genuine will of the people on a significant political issue. Only majoritarian institutions can simultaneously guarantee that (1) whenever a clear will of the majority exists, it determines the outcome of social choice, and (2) when such a will does not exist, the decisions are not *systematically* biased against some groups. Minority rule

fails on both counts, supramajoritarian rules fail on the second count.

In effect, the acceptance of Miller's argument means that transitivity, as a normative requirement of social choice is rejected. There are two possible criticisms of this rejection. The first, presented by Peter H. Aranson (1989, 122-123) is this:

> The problem with Miller's formulation is that he does not recognize... that as each (small) group receives its benefit in turn, all other groups will suffer. That is, if our description of rent seeking, a feature of pluralist politics, is essentially right, then the pluralist system gains the support of its citizens and maintains its stability by impoverishing them.

Aranson's argument can be understood by relating it to the general problem of intransitive preferences. The traditional argument for the irrationality of such preferences is, that a decision-maker preferring A to B, B to C, and C to A, becomes a "money pump". He can be exploited by giving him an opportunity to exchange C to B, B to A, A to C, etc. If he really acts according to his preferences, so runs the argument, he should be willing to pay some compensation in every exchange, and to go on endlessly. Some authors have rejected this "money-pump" argument in the individual case. An individual may foresee the consequences of the successive deals and refuse to accept them, even if his preferences are intransitive. (Schwartz 1986, 128-131) The argument made by Aranson is, in effect, that a collective decision-maker may actually work as a money-pump. In Miller's model, the general preference profile is often intransitive, and politics is a process of making and remaking alliances. In this process, money and power are continually redistributed among the political groups. This differs from the individual intransitivity case in two fundamental ways. Firstly: politicians do not pay from their own pockets. It is the taxpayers' money which is pumped out in the process. Secondly: even if they understand the situation and actually want to limit the extraction of private benefits from the public purse, they are in a collective action dilemma (Aranson 1989, 115-6). Everybody may benefit if the political redistribution process is constrained; at the same time, one group benefits

even more if it alone can use its negotiating power to get an extra share. Thus, the collective money-pump may well run forever unless there are external (e.g., constitutional) factors which can halt it.

There is another possible objection, which may force Miller at least to qualify his praise of intransitivities. Pluralist theories do not consider constitutional structures as important as they are traditionally considered in liberal theories, and also in Riker's theory. Instead of external checks – e.g. the separation of powers – they emphasize internal checks, social motivations. Ultimately, it is the shared will of most political groups to uphold the system, not the paper walls of a Constitution, which prevents modern democracies from degenerating into tyranny.

This theory is directly related to Miller's interpretation of the possibility of political cycles as a factor maintaining systemic stability. The cyclical movement in everyday politics ensures that most groups have some chances of being included in the winning majority coalitions. This, however, presupposes that there exists a "will of the people" *at the constitutional level*. A large majority has to support the democratic constitution and to agree that decisions made according to its provisions are binding. To quote R. A. Dahl, the leading pluralist:

> The extent of consensus on the polyarchal norms, social training in the norms, consensus on policy alternatives, and political activity: the extent to which these and other conditions are present determines the viability of a polyarchy [Dahl's term for pluralist systems] itself and provides protections for minorities. The evidence seems to me overwhelming that in the various polyarchies of the contemporary world, the extent to which minorities are bedeviled by means of government action is dependent almost entirely upon non-constitutional factors... (Dahl 1956, 135)

Hence, we should distinguish normal political cycles from *cycles over constitutional or systemic alternatives*. The former type of "instability" may be a normal and healthy phenomenon in a pluralist society. The latter, however, may be lethal for democractic institutions. The most dramatic example of a constitutional cycle is the

politics of the ill-fated Weimar Republic in the late twenties and early thirties. Most historians of the era have implicitly recognized the existence of a cycle. In the Weimar politics, there were two important political dimensions. One was the traditional Right-Left dimension, the other consisted of the attitudes towards the legitimacy of the Republic itself. The German Nationalists on the Right, the Communists on the Left, and the National Socialists, who, in a sense, stood outside the traditional political division, all vehemently opposed the Republic. At the same time, the social and economic programmes of these groups had a very little in common. The other groups were joined in their support of the Republic, but equally divided in other political matters. This two-dimensionality produced the famous ”negative majorities” – coalitions of mutually hostile elements who were able to bring down the ruling cabinet coalitions but unable to form new ones. Thus, the Communists, for example, were sometimes willing to join their forces with the National Socialists against the Centrist and Social Democratic parties. This fundamental instability, combined with the defects of the Constitution, brought down the Weimar system. (cf. Lepsius 1978)

The German example shows that (*pace* Tännsjö, Beitz and the pluralists) the question of *how* the cycles are actually broken is important for the stability of a political system. In the Weimar Republic in the early thirties, the parliamentary deadlocks produced by the ”negative majorities” were solved by the intervention of the President. When no coalition could win the confidence Parliament, the President nominated ”presidential cabinets” which often governed by using emergency powers. This practice probably saved the Republic on some occasions, but it may argued that ultimately it destroyed the system by weakening its democratic legitimacy. By giving full responsibility to the President, it absolved the parties from responsibility.

In post-war Germany, the outside intervention of the President is replaced by the rule of ”constructive confidence”. This means that a cabinet can be dismissed only by replacing it by another cabinet. In effect, the constructive confidence rule works like the status-quo rule in the parliamentary amendment procedure: the *status quo* remains in force until it is replaced by some definite alternative

accepted by the majority. (Lijphart 1984, 75) Both the Weimarian rule and the post-war rule are designed to produce a government even where no majority support can be found in Parliament. They guarantee that the method of making decisions is *decisive*, i.e. it produces *some* outcome in every possible case. The political consequences, however, differ radically. Under the Weimar system, when cycles were endemic, the cycle-breaking power of the President made the outcome dependent on the will of a single individual.

Thus, Miller's argument on the beneficial nature of the cycles requires a qualification. *At the constitutional level*, cycles are dangerous for stability. Cycles tend to appear at the constitutional level, when there are strong groups opposing the existing system so intensely that they are not willing to defend it against each other. There is some evidence that preference patterns of this type contributed to the rise of undemocratic governments in the twenties and thirties, and not only in Germany.

Ultimately, constitutional and other institutional factors affect preferences and *vice versa*. Political actors create and maintain political institutions according to their interests and values; but their preferences over various institutional solutions are partly dependent on the expected ability of the institutions to produce outcomes which satisfy their other preferences. The institutions may shape preferences, interests and values in different ways; a plurality system, for example, usually produces a two-party system by creating incentives to vote strategically, but it may also train the citizens to think of politics in terms of choices between two alternatives. In the long run, neither preferences nor institutions can be treated as fully exogenous. This creates not only methodological but also normative problems. By choosing their institutions, people involved in a constitutional choice partly choose their own future interests and values. This problem emphasizes John Rawls' important insight that the institutions of a just society should create motivations for its citizens to support it. In the long run, this may be the most important stability problem in democratic politics. For example, do the liberal institutions create anomic individuals who may become a prey for totalitarian movements? This is the claim made by some communitarian theorists as well as the theorists of the "mass society". These prob-

lems, however, are outside the scope of this essay. Certainly they show one important limitation of social choice analysis.

Conclusion

In this essay, I have argued that the problems found in the theories of social choice are relevant for normative justifications of democratic procedures. They are relevant because the postulates used in the derivation of the problems can be interpreted in terms of political ethics, and because the problematical situations do appear in real life (although they are not easy to detect). Thus, the problems cannot be wished away.

I have reviewed different attempts to answer the challenge posed by social choice results as interpreted by William Riker and his followers. None of the answers is entirely satisfying. In real life, these problems are solved by various institutional and non-institutional means, all these solutions are problematic for the normative point of view. This is equally true of William Riker's own proposals; they are also problematical, even in his own terms.

Nevertheless, we may agree with Hannu Nurmi: while "there does not seem to be any perfect voting procedure, there definitely are differences in degree between the procedures" (Nurmi 1984, 332). What is needed is a theory of democracy which would, among other things, help us to see the strengths and shortcomings of different methods of making decisions.

To take one example: many people believe that the methods of direct democracy are, at least sometimes, superior to the representative methods. For theorists of social choice, however, referenda are problematical devices. Either the alternatives voted on are reduced into two, or, then, we may get an ambiguous result (Lagerspetz 1996a). If we see referenda as a serious alternative, we should be able to answer to the following questions: (1) What would be the most appropriate voting procedure? (2) Which issues should be submitted to referenda? (3) Under what conditions is the result of a referendum morally binding? In order to find satisfactory answers,

we have to consider the normative, the logical, and the empirical aspects of the problems. The relevant theory can be created only by the joint efforts of philosophers and political scientists. Thus, we need more cooperation over the conventional borderlines of intellectual disciplines.

Notes

[1] For example, if we have reason to believe that in the politics of real life preference profiles are almost always *single-peaked* – roughly, it is not true that every alternative is considered as the worst one by some decision-makers – then the Arrow theorem has no bite.

[2] Nevertheless, this is *not* the version of populism supported by Rousseau or the Marxists, nor does it presuppose the illiberal conception of liberty criticized by Riker (1982, 12-13).

[3] The antimajoritarian theory of John Calhoun (1953/1853) is, in this context, especially illuminating. Compare also with the proposal made in the South African constitutional discussions of using a 3/4 majority requirement in the Parliament in order to protect the priviledges of the white minority.

[4] Consider a somewhat analoguous problem: Suppose that a decision-making body almost always produces tied results. There is no majoritarian way of solving the problem. If the rule is that in tied situations the *status quo* should always win, the more conservative party has an unfair advantage. Tossing coins would be equally non-majoritarian but not unfair in the same way.

[5] At least for free-market liberals, the example of Finland is also worthy of consideration. The Finnish constitution has contained stronger supra-majoritarian requirements than any other constitution in the Western world – for example the most important economic decisions had to be made only by 2/3 (or 5/6) majorities. These rules have certainly prevented the Left from implementing any nationalization programme of the British style. Arguable, the rules have also worked against the growth of the public sector. But they have not prevented its growth; and after the decision have been made, the new *status quo* has *also* been protected by the same rules. Thus the limitations of the power of simple majorities have worked on both directions. For this reason the Conservatives, who, since the original enactment of the constitution, have firmly defended the supra-majoritarian rules, finally agreed on the need to amend the system in 1991.

[6] The idea that in ideal conditions, rational decision-makers are bound to reach a consensus, is actually a variation of the general rationalistic theme. Another variation of the same theme is the supposition made by many ecomists and game theorists: if decision makers have common prior probabilities and they share the same information, they are bound to make the same judgements.

[7] Cf. the following comment: "Critics of 'secret diplomacy' have demanded public sessions on the assumption that full publicity is 'democratic' and promotes honesty, understanding and agreement. In reality, the reverse is more nearly true(...). Whatever the other evils of private sessions may be, they unquestionably facilitate compromise among divergent views – which is the *sine qua non* of success in every conference." (Schuman 1958, 192)

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