DEMOCRACY: IS IT BOTH POSSIBLE AND DESIRABLE?

Abstract: I will be arguing that democracy as classically and normally understood is no doubt possible, but hardly desirable. And if there is some alternative to the usual concept that is both recognizably possible and yet desirable, it’s not easy to say what it is. But a closely related idea might be both – what we might call, the Democracy of the Market.

Democracy is almost incredibly popular among social theorists and various popular writers these days. And why not? What’s not to like?

Well, plenty, actually.

Democracy is Rule by The People. The idea is an obvious one. There is Rule by „the One” such as absolute monarchy; and by „The Few” such as Aristocracy or the Communist Party; and so by contrast there is rule by The Many, or as we may as well say, in terms of its presumed ideal, Rule by Everybody.

But of course – to begin with – the idea of Rule by Everybody is riddled with unclarities, or else is just plain impossible. It would seem to be impossible if the idea is that we have literally unanimous rule, where each proposed law is confirmed by a 100% affirmative vote (or disconfirmed by a 100% negative vote). If we stop short of that, we are driven toward Majority Rule.

Here’s why. More deeply analyzed, Democracy consists in dividing the basic political power in society equally among all. No one is to have any more than anyone else. That is its basic idea. If you deviate from that, you necessarily have rule, not by Everybody, but by Somebody – whoever the designated recipient of more than equal political power may be.

But what then? How is anything to be done? The most plausible practicable conceptualization of the equal power that is democracy’s central idea is to convert this into an equal probability of getting one’s way: the idea is that Your probability of choosing the rules, or the rulers, is the same as Mine, no matter who You and I are. This is seen to be maximized at Majority Rule. With more than a majority
required, the Nays have more power than the Yeas. With less than a majority required, we encounter contradictions – a proposal could both pass and fail at the same time, leaving us with no result.

So Democracy is Majority Rule. And Majority Rule, at least in the form of rule by whoever is elected, is certainly at least possible. (How practicable it would be to have „direct” democracy, even with modern internet techniques, is an interesting question, but certainly it is not practicable as yet in any sizable community; nor do most of us think it would be a good idea even if we could do it.)

For that matter, literal majorities are rare in most contemporary democracies. But if we relax the idea enough to allow election by plurality rather than actual majority, and make the somewhat generous assumption that the non-voters in a given election are willing to take whatever they get at the hands of the electorate who do vote, then government by voting is more than „at least possible” – it is actually in effect in an enormous number of countries today.

And the results, of course, provide ample evidence that democracy is both practicably possible and compatible with bad government – very bad indeed.

Well, it is surely worth asking why democracy is supposed to be so good, anyway?

(1) some enthusiasts seem to think that democracy is an intrinsic good. This can be analyzed into two variants:

(1a) those who think that Equality is intrinsically good, and Democracy is one case of that; and

(1b) those who think that, whatever there may be said about Equality in the abstract, the equal distribution of political power is intrinsically good. This might be held on the very plausible ground that I don't want You to have too much of it over Me, and You don't want Me to have too much of it over You – and so, equality is a good bargain, a good compromise.

We'll say a bit more about that later, pausing only to anticipate further discussion with the observation that one possible way to divide power equally is to give everyone none: 0 = 0, after all, and so No power for everybody is Equal power(lessness) for everybody. Of course, this is no longer what most people would call „Democracy”; its proper name is Anarchy. About that, there will be quite a bit more later in this essay.

(2) Perhaps the majority of enthusiasts want to claim that democracy, while not an intrinsic good, is good because of what it promotes: it promotes, so it is claimed, the general liberal ideals of society better than alternatives. Those ideals are, especially: prosperity and peace, but also – insofar as that is different – the achievement or satisfaction of (other) basic civil rights, such as freedom of religion, speech, and other such goods. Democracies, they argue, generally are

(2a) wealthier than other societies.

(2b) And as to peace, democracies don’t go to war against each other, and do find cause to band together against the right sets of bandits and bad guys.
(2c) The most important sort of “peace” is the peace of mutual respect for our liberties including, especially, our Civil liberties: people having their own religions and lifestyles more generally, without forcible interference by either their neighbors or by the State.

Since these are empirically checkable claims, we can then go into the facts, and the results are, I think, at the least mixed.

As to prosperity, there is the developing case of China to worry about. A far better example is provided by Hong Kong, which has never been a democracy, but rose from the ashes after the second world war to become one of the wealthiest societies in the orient. What’s more, it is very doubtful that it would have done so well if it had been a Democracy. Obviously democracy is neither a necessary nor sufficient for wealth. The most that can be said is that most quite wealthy countries are democracies, and only a few wealthy countries are not democracies. So the connection between democracy and wealth is at least loose. This is not very surprising, for reasons well known to economists.

As to international peace, the case that democracies don’t make war on each other is pretty good, though we get into niceties of definition after awhile. On the other hand, there is the suspicion that the world is as peaceful as it is (ahem!) because of the long nuclear hegemony of the two „greatest powers,” especially of the U.S.A.

Unfortunately, the U.S.A. stands out, along with many others, as an example of how civil and other liberties can suffer at the hands of democracy.

Let’s turn back to theory for a moment. Let’s first examine the pure idea of majority rule. Some would deny that democracy is majority rule. How you explain the basic idea of „rule by the people” without that idea is an interesting question, to which we’ll return briefly below. But let’s start by just considering majority rule – „mob rule” if you like.

It quickly becomes obvious that a majority could violate any number of liberal desiderata. A majority could impose religions, suppress freedom of speech, make war on homosexuals or drug users, impose onerously high taxes and otherwise mismanage the economy. Come to think, it not only could do all those things, it has done them, and in spades. The point is that liberalism is one thing, democracy is another, and there is considerable tension between them.

All democracies today have constitutions, limiting to some degree, somehow, the potential of majority rule for curtailing individuals liberties. It is often said, indeed, that „If various non-majority rights are not upheld, then it simply isn’t a democracy.” Unfortunately, how you establish a conceptual connection between the two isn’t gone into: the claim is simply that Democracy = elections plus constitutional constraints -- no questions asked why, if majority rule is so great, we should have individual rights to worry about at all, nor what democracy has to do with such rights. The point of this essay, though, is to push that very question – hard.
There are two, though related, general problems about democracy.

1. The first is the *constituency* problem: who is the public that democracy applies to? We have various polities: cities, provinces, countries. Without thinking about it, we assume that democracy applies to whatever polity we are talking about. This unthinking acceptance, as we’ll see shortly, leads to immense problems.

2. The other is the *agenda* problem: just what may the democracy do? What may voters vote *about*? What may elected politicians do with their conferred power? There is a laudable tradition having it that government is or should be for the *public good*. While that is widely regarded as an extremely vague or perhaps vacuous idea, it is not – once we accept liberalism as our general outlook. But even within the constraints of liberalism, to be sure, there has been disagreement about this. While I think we can narrow that down, what is not obvious, as we will again see, is that democracy can be expected to work very well for generally promoting that good. Indeed, the more clear and relevant our refinement of the appropriate notion of public good, the less obvious is it that we could expect democratic decision making to do much for it.

### 1. The Constituency Problem

If democracy governs a particular constituency, why does it? What business do *some* of the citizens have running the lives of *others* on, say, the other side of the country or the town? Or if it does, why doesn't it also apply to people on the other side of the world? Let's draw a great big arbitrarily formed line enclosing an arbitrarily large set of people, here and there and having, as we would normally think, pretty much nothing to do with each other. Now the question is: if democracy is supposed to be some sort of basic right, why don't all the people in *that* area, whatever it is, get ruled over by majorities within that same area? For that matter, why isn't *everybody on earth* to be ruled over by a majority of mankind at large?

There is, to be sure, a common sense answer to this: it's that those people have, as we might say, „nothing to do with each other“ – they have „no business“ interfering in each other's lives. And that is indeed true! But the question is – if Democracy is so great, why is that *relevant*? Given democracy's pretensions to the status of a *basic right*, how can this commonsense point, that the people over *here* may have little in common or to do with the people over *there* constitute a reason why either or both shouldn't be subject to the rule of the others? *Why* is it so obvious that people in an arbitrarily defined area of the globe should *not* be subject to majority rule about anything, if democracy is worth its salt?

The moral here is that *first* we must know why these and just these people are „together“ in such a way that it makes some sort of sense for them – *them* and not the umpty-million other people around the world – to perhaps resolve
some mutual problems by voting. Whatever it is, it is clear that such a theory would have to be prior to democracy.

Consider this, from Melissa Schwarzenberg:1 „The reason why we ought to want democratic decision making in the first place is because we properly believe each member’s views and opinions ought equally to affect the outcome of group decision making.” That is her version of an answer to my question. But what does she mean here? She could mean either that we, as it were, always do „properly believe” – that it is proper to believe – that each person’s views ought equally etc.? Or does she mean that if in a given case it is (for some reason, not yet stated) „proper” to believe that, then we should want democratic decision making?

The difference is radical, though I am not sure that Dr. Schwarzenberg has noticed that. Enthusiasts for democracy, I rather think, just tend to think that of course just everything is such that everybody ought to have an equal say about it. But ordinary people believe no such thing, we may be sure, and it is hard to see any reason why they should. I do not think that the opinions of my fellow man are in the remotest way wanted or to be consulted, let alone given „equal weight” with, say, those of my wife when it comes to doing the grocery shopping, or deciding whether to take that job in Connecticut, and so on. I don’t think that, and I doubt that much of anyone else does either. You’d have to be a very „far-out” ideological enthusiast to think any such thing.

Where, then, is the argument needed to explain why just this and only this sizable group of people ought to be democratically equipped for decision-making about this or that issue for that whole particular group?

2. The Agenda Problem

So, which things are suitable for democratic decision-making, and, of course, why? Here’s my sample whipping-boy issue: should we crucify Jim Smith in the city tomorrow, just to watch the spectacle? Would the approval of a majority make it right – should the „mob” indeed „rule”? When we recoil at that, the question is, why we aren’t recoiling at the very idea of democracy? Most people don’t think we are, of course, but the question is; why?

What „we” think, surely, is that we should not be able to vote on such an issue, at all. Whatever democracy is about, it surely isn’t that. What we think, and with extremely good reason, is that there are things nobody is permitted to do to anybody, whether that person is in some government or not, and whether a whole lot of other people are in favor of it or not. These are rights. Most of us, I trust, think that people do have them. To hold this is not to be bizarrely right-wing, or some such silly category. It is, surely, common sense. Governments, mafiosa, your next-door neighbor – you name it – for those people to do such things is wrong. It’s also wrong for any majority to do them. That isn’t because a majority has decided that it’s not suitable for majority rule. It’s because such an issue is not suitable for majority rule, and so no majority should think it is.

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And so a decent „democratic” society will have constitutional restrictions on things like that. Just which things are „things like that” is, of course, the crucial question. And which things are properly on the „agenda” for democratic decision-making?

The democratic tsunami begins to dissipate when we seriously contemplate these last questions. Some constitutional restraints can be defended in the interests of democracy, to be sure. For democracy to function, the right to vote cannot be based on majority rule. Similarly, there must be freedom of the press, at least for political reporting and communicating. Elections must be fairly frequent. And one civil liberty (sort of) is surely called for by democracy: people must be free to run for office, and free of intimidation for political opinions. Legal rights, such as to avail oneself of legal services, are in the same category.

We might, then, distinguish between all-out, instantaneous democracy, and democracy as an enduring political system. It is democracy of the latter kind that the term ‘democracy’ is usually applied to.

But while those specifically political rights are essential to enduring democracy, they are, after all, far from all there is. Freedom of religion, and broadly speaking of lifestyle subject only to the requirement of nonviolence, are not obviously required for democracy to function. As noted above, it is all to easy to envisage an enthusiastic majority supressing the religious aspirations of some smaller group. What’s to prevent it? And indeed, democracies for as long as there have been such have indeed to greater or lesser extent infringed, mildly or severely, just such rights.

And then, perhaps above all, there is freedom of commerce and the right to earn income and own property. Now, these are generally regarded as contentious, and rightly so. For if we acknowledge a strong right of property, then the state has problems, since essentially everything the state does rests on taxation, or its equivalent, or some other use of coercion. No taxation (or the equivalent), no government. And yet, taxation on the face of it looks to be an infringement on that kind of freedom. Taxation says: you can’t spend (what you thought was) your money as you like – you must spend it on this and that – more generally, on what we, the elected government, tell you to.

Now, ordinary people don’t think that in order to find out what I should do in life or how I should spend my money, we should take a vote. These things are ordinarily thought to be my business – the business of the person whose life it is, or whose money it is.

What other people might be relevant? Clearly there are often others: the people who pay me for the services I render to earn my money, certainly; and my wife, quite likely; and possibly a few others, or even many others. With all of those people, however, we proceed by making arrangements. Those persons own various things, can provide various services to me; I own various things and can provide various services to them. So we arrange exchanges, in many cases. No problem! (That is, no fundamental problem, however subtle and intricate the structure arrived at, or the negotiations leading to the arrangement in question.)
We have, in other words, a mechanism for making decisions that is obviously completely appropriate and called for, and equally obviously does not involve most people, let alone all people. Majorities are irrelevant to such things. And such things, after all, are at least a great deal of anybody’s life.

When, then, is a political procedure such as democracy relevant? What, so to say, is the natural agenda for politics, hence for democracy? Here again there is a familiar and perhaps potentially decent answer: „Public” goods, goods that matter to the „everybody” who form the potential constituency in question. The name implies that the public is relevant to those matters. And that there are different publics for different matters is very obvious. We may seem to have the beginnings of an answer to our questions.

But to see the exact bearing of the notion on our question, we need a more precisely characterization of publicness. The standard such one is, roughly, that a public good is one whose production and consumption are such that it is impossible, or at least very difficult, for one person to be involved without others being so too. At a minimum, it’s a good that one person cannot enjoy, or produce, unless others do too: the person who produces it cannot prevent others from enjoying it without, in effect, paying for it. Or, it is possible to enjoy it without paying the producer for it. In consequence, there are obvious incentive problems about their production. If producers can’t control their markets, they won’t be inclined to produce these goods. This is known as „market failure.” So, now, the idea goes: the natural thing is to tax consumers so that they have no choice about paying. And nobody can tax everybody without governmental powers.

But then we have at least two problems. The first, obviously, is that some persons won’t think that the extracted price is worth it. If they had their choice between paying and receiving, or not receiving and not paying, they would choose not to pay. Is the cure worse than the disease? Frequently, the answer is – definitely!

Now, the democratic mechanism will let this be decided by voting. And this gives rise to the problem, first, of misperception of the costs and benefits of various proposed provisions of what are allegedly public goods. Secondly, unless there is some kind of filter or constraint on the range of issues that can be treated in this way, we are back to all of the original problems with democracy. This is the problem of government failure: government action that defeats, rather than promotes, the good of its people.

Government fails when it provides what people don’t want or provides what they do want, but at a price they’d be unwilling to pay given their choice; or when it fails to provide what they do want at prices they would be willing to pay, if they had their choice. Government characteristically denies them these choices. It imposes a school tax on all, and provides schooling that many think unsatisfactory. Those people might not be allowed to use private schools; or if they are allowed to, those who avail themselves of such schools will be paying for the public ones anyway, and so their costs for schooling are much increased. And so on, for almost every other „public good” that governments claim to provide.
A way of putting this difficulty is to note that the constituency of different public goods varies, enormously. That is the constituency problem, again. Ideally, the constituency would be *all and only those who care about and are willing to participate in the creation of* the goods in question.

How, ideally, would we do this? Let’s start by going back to the notion of public goods. It has been often enough pointed out that many of the areas in which government is extensively concerned are not in fact public goods, in the technical sense, at all. Consider, for example, health, education, and welfare – three areas that use up by far the lion’s share of most contemporary public budgets. Yet none of them is a „public good“! All of them could be and to a considerable extent are provided without government involvement.

1. Health mostly is not a public good. I can be sick or die, independently of whether you are or do. There is a small subset of genuinely public-health problems: infectious diseases, especially. Most health problems are not due to infectious diseases. And even ones that are can be resolved, usually, by quarantine. Any liberal would have to concede the justifiability of quarantine for a small range of public health issues. But that leaves almost all health issues non-public. Yet in most countries today, it is simply assumed that your health is automatically to be regarded as part of the public’s proper area of concern. In Canada, we are not even *allowed* to buy private medical procedures (unless we leave the country and get them elsewhere.) People endure months and months of waiting for care that would be all but instantaneous south of our border, for those who can pay. (It will be asked – it always is, incessantly, asked: what about those who can’t? We’ll discuss that in a bit.)

2. And welfare is not obviously a public good, either. One person can be well off, another destitute. Indeed, it is not only „not obviously” a public good – it is, rather, *obviously not* a public good.

What is true is that if person A is destitute, the price he can get for whatever services he may be able to perform will be very low. In consequence, one would in the normal course expect destitution to be very rare, in any society in which people are allowed freely to buy and sell, or beg for, services. Contemporary democracies, however, rarely allow this. Long before destitution, people are provided with various welfare services – at taxpayer expense. And they provide those well above the level we can plausibly regard as that of „destitution.”

Many people will think it immoral not to do this. Yet few people think it’s moral for A to feed B by robbing C – which is exactly what the tax-supported welfare system apparently does. A long-standing problem in democratic theory is: why isn’t it robbery? Why isn’t government a den of thieves? It needs a decent answer. If welfare were genuinely a public good, that would provide the „decent answer” called for. If it were impossible for me to be well off unless B was also well off, then anyone who wants to be well off (and who doesn’t?) would have to accept that
we must see to B’s welfare when we pursue our own. But of course, it’s *not* impossible. And then what?

3. As to education, it is obvious from the start that A can be educated and B not – there is no obvious reason to think that if *anybody* is educated, then *everybody* must be. or vice versa, or that if A educates B, it will be impossible to prevent C from horning in for free.

It has become a mantra of contemporary societies that people have, somehow, *rights* to the (free!) provision of all these things. Well, why? Of course, it can also be pointed out that it is not so long ago that no such thing *was* thought by most people. Governments did not think it their duty to provide any of the above. What they may have thought it their duty to provide, and what their constituents very likely thought it their duty to provide, was security and, hopefully, liberty – two things that governments have been notoriously erratic about, to say the least. And those are indeed public goods. I cannot be secure unless *you* somehow refrain from assaulting me, and vice versa. I can do x only if you don’t prevent me, and vice versa. Liberty is liberty *from* the incursions of others; security is the absence of danger from others. Only action (that is, inaction, especially) by others can provide these things.

Majorities can indeed act so as to help defend, and even improve, the security and liberty or each of us. Unfortunately, they can also do just the opposite, as we have seen. Since democracy gives every citizen power over every other citizen, in the form of the vote, the problem is how to restrict it, to tie its hands, so that it will tend to promote rather than defeat the security and liberty of each of us.

**Democratic Voting**

Why do people vote, when they do? That is, what are they trying to achieve by voting? There are two general answers to distinguish here.

(1) Sometimes, they are trying to promote *their own interests*, but by political means.

(2) In other cases, they have ideas about what society should be like – what they want *other people* to be doing. Those are akin to political philosophies, more or less (mostly less, of course, in the sense of articulated and developed doctrines, but nonetheless political attitudes rather than expressions of, strictly speaking, self-interest.)

For our purposes, we need not try to make more refined distinctions, as for instance between „strictly speaking” self interest, interests in family, in ethnic associates, in religious affiliates, business partners, and so on up to national and perhaps global sympathies. What does matter is that both of these general categories, and all those in between, raise the same difficult question: namely, *why?* In the case of self-interest, why should Harry be subject to coercion in order to benefit Hilary? – and in the case of ideological-type motivations, why should Harry be subject to coercion in order to advance a political philosophy held and pressed by Hilary, but with which he, Harry, does *not* agree?
This problem is perfectly general. No matter where in the spectrum our motivations lie, the trouble is that others will be acting out of different ones. And since what makes our actions rational is that they are reasonably expected to promote whatever sort of interests they are motivated by, it is on the face of it extremely unobvious why we should be subordinated to somebody else’s. Make this same point regarding democratically elected people whom one didn’t and wouldn’t vote for, and you have the problem about democracy in a nutshell.

It may be said that these people have authority over you. But the question is, why do they? Enthusiasts for democracy, after all, say that they have it because you gave it to them! But the trouble is, you didn’t. And even in the case where you did vote for the chap, it is quite likely because you felt he wouldn’t be as horrible as the other chap running for that office – rather than because you felt he would do a good job of it.

Liberals think – rightly in my view – that presidents and congresspersons and such who are voted into office have the democratic merit that we, the people, put them there, and thus endowed them with the authority attached to those particular offices. But the trouble with that story is that it is, almost always, false, either in general or in detail, when we try to recast the story at the level of the individual – who, after all, is supposed to be the fundamental element in the story. „We” the people did not „put them there” – about all we did, and do, is, to go to the polls (perhaps – for many of us do not), select some name scarcely known to us, almost all of whose expected actions are unknown and unpredictable, and then stay out of their way if we can. The standard democratic story about elected government doesn’t bear scrutiny.

It has been widely noted that the public is relatively susceptible to „campaign promises” which are not really expected to be kept, especially because people have a vague appreciation that they really can’t be. We can’t, for example, have higher government spending, lower taxes, and a reduced deficit simultaneously. The sky is not good at supplying us with pie. Two and two still do make four, despite the machinations of politicians.

The question is: Why are dishonest promises so often successful? And, should politicians be able to make such promises? Is there any way to make it at least difficult for candidates for public office to get elected, and re-elected, on the basis of knowably and known false claims?

Public Goods, again

We might be able to help matters out if we could design a constitution with filtering mechanisms that forced governments to confine their legislation and administration, in the first place, to genuinely public goods only – goods that really cannot be taken care of by market methods – and second, to ones where the stakes are nontrivial. Neither, to put it mildly, is very easy.

3. Superiority of Markets

As to the first, we should surely have a constitutional mechanism for assuring that anything that can be done by the market should be done that way, rather
than by a political method. Markets have the signal virtue that since nobody has
to buy or sell, they target goods at those interested, and not those who are not.
The fundamental problem guiding this inquiry is how to justify imposition by
majorities on minorities, that being the defining hallmark of democracy. The
market avoids this, because all parties are required to respect the property rights
of all persons. (That will only be an adequate characterization if we understand,
as Locke did, that one’s „property” includes one’s own actions, body, and
psychology. What would usually be called ‘property rights’ specifically would be
extensions of the basic rights that Locke specifies, to life, health, and liberty –
all such rights being negatively construed, as Locke does in pronouncing the
fundamental „Law of Nature” to consist in a prohibition of harm of all those
things, plus property in the narrow sense.)

This outcome would be assured by strong property rights. If we cannot,
as John Locke’s idea would have it, impose taxes against the consent of each
individual taxed, then confinement to market methods is evidently assured.

This might be thought elementary – and we can also be confident that such
a provision has no real-world chance of being incorporated into any constitution.
The interesting question is, Why not? And the answer, I think, has to be, serious,
near-total, misunderstandings of the free market, as an institution and as an idea.
Alas, that is the subject of books, and calls for a much longer treatment than this.

4. Public Goods: The Variables

When public goods are loosely characterized as goods such that either
nobody has them or everybody does, or as goods which it is „impossible” to
prevent free-riders and so on, we may just close the subject by pointing out that
there are very few if any goods of that kind. There is one good, however, that is
literally impossible to have without the cooperation of at least two persons. This,
as pointed out above, is the good of Peace. Jones is at peace only if Smith refrains
from attacking him. The world enjoys peace only if nobody makes war. With any
group X, X is at peace internally only if no one in X makes war against anyone
else in X. And X is at peace externally only if the Xians, as a people or a State, are
not at war with any other group Y.

Beyond that, things get more difficult. What must happen is that the
producers of a putatively public good must decide how much cost they will
accept in order to confine their products to those who will pay. The producers of
goods with externalities, such as pollution, will be subject to tort actions by those
affected, unless they are able to make a deal with the involuntary consumers that
will turn them into voluntary ones.

When such matters are left to the democratic State, we may be sure that
things will go wrong, mostly in the direction of oversupply: more of the „good”
will be supplied than people would have been willing to buy at that price if they
had their choice.

Roughly, we may say that public goods are supplied mostly at some cost to
peace: some people are coerced, compelled to endure unwanted expenditures, in
order to enable provision. And if it has to be coerced, we may conjecture that it can hardly be a literally public good.

Where there's room for The Public

Now and then there’ll be a public good that reasonably well exhibits an important game-theoretic profile: the coordination dilemma. While ‘dilemma’ is a misleading expression, since most are not the sort that call for much agonizing over, it is still accurate in that we have a decision problem with, in a sense, no obvious solution. Coordination dilemmas are cases where (1) it is in „everyone’s” (any set of at least two persons) interest to adopt the same strategy as everyone else regarding the matter in question, but (2) there are alternative strategies no one of which is superior to some or all others, and thus if people choose independently, we will almost certainly come up with a decidedly suboptimal solution. The classic example is the Rule of the Road: we keep right because everyone else does, and if we all do, we all benefit relative to the no-rule situation, which we presume to be the base line. If some go right and some left, we will have squealing brakes, curses, and crashes. If all drive on the same side, on the other hand, then we all arrive safely at our destinations, barring other problems.

We can solve the which-side-of-the-road problem easily in practice. But what if there are a dozen alternatives, equally good in themselves? What if some are preferred by some and others by others, even though they all get the some benefits for all? At last! – a real use for Government! (Maybe.) And, since it really doesn't matter, why not go with the majority? Voila! An argument for majority rule, at last! But then we come back down to earth when we appreciate how very, very few problems of this type we are faced with. (And also, we went too quickly: the potential for solving multi-dimensional coordination problems without a Central Director is at least considerable.)

Insofar as politics works on this sort of coordination problem, we perhaps arrive at our Window where democracy looks like a good method of solving it. Where it doesn't really matter, going with the majority entails no losses, and some gains. So, why not?

The question would be, though, how often this applies. Politics, it seems to me, is not very often such a problem, and when it’s not, as is much more frequent, then democracy, like other sorts of government, is guilty of sacrificing minorities to majorities (and both, of course, to pressure groups and lobbyists). Governments strongly tend to revert to their standard function of „misdirecting massive resources from where they are needed to where politicians want them to be.”2 They will over-regulate, over-punish, over-rule, and just generally make life less desirable than it might be, and, alas, Democracy does not help very much.

Is a society that operates fully on the market system possible? That's an interesting question, to which the standard answer is roundly in the negative. But why? A suggestion of the reason lies in this interesting characterization

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2 I owe this pity summary to Henry Hazlitt, author of the essential book *Economics in One Lesson.*
of democracy, a saying of a long-ago colleague: “Democracy only settles the question who would win in a fair fight!” Politics is about who is going to exert power over us, and not how to control, contain, and limit that power.

It is often said, famously by Churchill and many others, that democracy, whatever its faults, is at any rate better than any other form of government. Whether that is even slightly true depends on what you call a “form” or “system” of government. No democracy today is a pure democracy in the sense that it is unconstrained exercise of the “public will” – majority rule,”mob” rule. They differ greatly among themselves on just which patterns of restrictions they impose, but broadly speaking, there tends to be a fairly substantial component of Liberalism – of respect for individual liberties, of embracing the general goal of promoting the individual good of each citizen – in almost all of them. A fascinating question is whether we can reduce the component of majority (“mob”) rule – to zero, and allow individual liberty to “rule” exclusively. Let’s at least hope that mankind can do better than we mostly do nowadays.