

PROVINCES

Evaluating democracy

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A passionate debate comparing and contrasting the performance of Pakistan's democratic and dictatorial regimes has been raging recently in various discussion forums. A quantitative yardstick to assess the effectiveness of a form of government and its relevance to the local context of a country can be defined in terms of consequent economic development.

In political science and sociology literature, dictatorship and democracy have been compared extensively in terms of their effect on socioeconomic wellbeing and growth. In "Political Man", Seymour Martin Lipset's primary argument is that economic development is the product of democracy. Historical analyses such as his are, however, incapable of establishing causality between the form of government and economic outcomes. The reason is that it is not possible to isolate the effect of the form of governance from that of various other factors such as the ruler's personality, cultural practices, demographics of the country, availability of natural resources, and many others.

A cursory look at post-World War II economic trajectories of various nations confirms the precariousness of any connection between the form of government and economic outcomes due to conflicting trends. While many western democratic states have prospered, Latin American democracies with established parliamentary structures, political parties, unions and competitive elections suffered economic disasters during the 1980s. Similarly, many Far Eastern nations have emerged from poverty under authoritarian rule, but the world is replete with examples of dictatorships that are in deep economic turmoil. Some empirical analyses have attempted to control for the effect of confounding variables such as history or personality, but the results of these studies remain largely inconclusive.

On the other hand, theoretical analyses also fall short of reaching consensus on this question. To Amartya Sen, the foremost argument in favor of democracy is its ability to hold the government accountable not only through elections, but also through other participatory mechanisms such as free press and independent judiciary.

Other advocates of democracy claim that it protects property rights, promoting an environment of collective growth. The majority in a democracy is empowered to enact taxation rules and other mechanisms to steer the redistribution of wealth toward the middle stratum of society. This, the critics of democracy contend, weakens the property rights of wealth generators, thus undermining growth.

Another potential problem with democracy is that strategic voting, with partial or asymmetric information, does not truly represent the preferences of all citizens, thus negating the very purpose of democracy.

Meanwhile, the pro-dictatorship camp argues that an autocratic state is autonomous and insulated from private pressures, eliminating resource wastage due to political manipulation. However, the authoritarian regime, with its absolute discretion, lacks accountability and therefore makes the ruler prone to predation. In short, while there is agreement that political institutions safeguarding economic rights are important for growth, framing the dichotomy in terms of regimes does not seem to capture the relevant differences.

This assertion becomes more substantial when we recognise that dictatorships are disparate in their institutional structure. They tend to differ, among other factors, in the degree of absolutism, operational transparency, and access to political rights – institutions that affect economic development.

Many dictatorships in history have governed with councils that sometimes enjoy formal law-making powers. Many modern dictatorships allow multiple political parties and legislatures to operate, although only after controlling the pre-selection of political parties or their membership. Carles Boix and Milan Svolik estimate that three-fourths of all post-WWII dictatorial regimes have ruled with a legislature, and the majority has relied on a political party to organise their political support. Similarly, Jennifer Gandhi finds that most post-WWII dictators operated with multiple parties.

Interestingly, Machiavelli also recognised that some dictators – which he called 'limited princes' as opposed to 'absolute princes' – are reined in by institutions that empower other actors to oppose the despot. Gandhi's recent empirical analysis substantiates many historical readings suggesting that these institutions are effective in constraining the

dictator's behavior.

We can therefore conclude that it is the presence of specific institutions, and not the form of government, that affects economic development and access to basic facilities. These institutions can be established in both democratic and non-democratic regimes and there is no reason to believe that all the democracies would establish these institutions.

Should the idea of democracy then be considered irrelevant and abandoned? To answer that, we must note that democracy has an intrinsic value which supersedes its potential instrumental role. The essential characteristic of democracy is that it is a process of collective decision making in which, according to James Buchanan, "each individual counts for one and that is that." Assigning men differential weights would amount to playing God, violating the precepts of the individualists that form a democracy.

In the process of making a decision which falls in the public domain, the private preferences of any individual are neither more nor less significant than those of others. In other words, politics is not an attempt to achieve a specific organisation of the society, but a process through which group differences are reconciled. The only criterion to judge the state is its ability to allow individuals to get what they want, whatsoever this might be, limited only by the principle of mutual agreement guided by reciprocity. There is no philosopher-king, nor is there an ultimate truth remaining to be discovered that delineates a utopian society.

By accepting an individual as the unit of decision-making, we embrace the principle that individual freedom is the overriding objective for social policy, not as an instrumental element in attaining economic objectives, but simply as a desirable characteristic of a society. The only purpose of any social organisation is that it provides efficient means to achieve individual objectives with minimal conflict, and not because it offers the means of arriving at a transcendental common bliss.

The debate that compares democratic and dictatorial governance structures in Pakistan often confounds the instrumental and intrinsic objectives of democracy. The recipe to resolving this issue systematically lies in determining the philosophical underpinnings of a society's preference calculus.

Is a society willing to give up economic development for the sake of each individual's right of participation in collective decision-making? Is there consent on the absolute value of individual freedom? Do all members of the society accept the normative political process that it entails? Is the society willing and capable of absorbing the implications of such a conception of democracy?

Only after answering these questions clearly and categorically can a society move forward in instituting the appropriate system of governance and achieving the goals that it sets for itself.

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