Democracy, Participation, and Information: Complementarity Between Political and Economic Institutions

Thomas Christiano

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Democracy, Participation, and Information: Complementarity Between Political and Economic Institutions

THOMAS CHRISTIANO*

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I. INTRODUCTION

Many have expressed a great deal of skepticism about the viability of democracy in the last twenty years. This skepticism proceeds from a crude version of Anthony Downs’s hypothesis of rational ignorance. In this Article, I argue that the skepticism is not warranted, and I want to explore some ways in which political equality can be enhanced even within the frame given by Downs’s economics of information. I think that there is reason to believe that democracy already works for ordinary and poor people, but that it does not work in an especially egalitarian way. To see how democracy can become more egalitarian, I want to explore empirical and normative dimensions of a hypothesis I am developing concerning the relation between worker participation in the running of economic firms and worker participation in political democracy. I dub this the complementarity hypothesis. The complementarity hypothesis asserts that there is complementarity between successfully functioning political democracy and fairness in the structuring of economic life. There are two main ways in which the complementarity works, only one of which I will pursue here. The one I explore here is that fairness in markets can make an important contribution to the capacity of actual political democracy to live up to the principles that undergird it. I will examine how the participation of workers in the running of firms can enhance the participation of workers in democracy. This idea is based on Anthony Downs’s thesis that the key obstacle to political equality is the division of labor in society. The response to this is to determine how to alter the division of labor in society so that it accords better with the underlying democratic ideal.

In this Article, I will first lay out what I describe as the crude Downsian approach to political democracy and the skepticism about democracy that this has generated. Then, I will lay out some basic problems with this approach and show how the skepticism is not warranted. I will then embark on the task of developing an alternative Downsian approach to political democracy that

1. ANTHONY DOWNS, AN ECONOMIC THEORY OF DEMOCRACY 207–76 (1957).
2. The second thesis associated with complementarity is that the underlying justifications for political democracy and fairness in markets is quite similar, perhaps even deriving from the same principle; the idea is that political institutions and economic institutions are to be structured in accordance with a principle of equality of power in each domain. I have pursued this in my Articles. Thomas Christiano, Equality, Fairness, and Agreements, 44 J. SOC. PHIL. 370 (2013); Thomas Christiano, The Tension Between the Nature and the Norm of Voluntary Exchange, 54 S.J. PHIL. (SPINDEL SUPPLEMENT) 109 (2016); Thomas Christiano, The Wage Setting Process: A Democratic Conception of Fair Market Exchange, 11 ERASMUS J. PHIL. & ECON. 57 (2018). For a fuller conception in progress, see Thomas Christiano, Worker Participation and the Democratic Conception of Fairness in Markets (unpublished manuscript) (on file with author).
3. DOWNS, supra note 1, at 260–76.
I think is truer to Downs’s view and that is more sophisticated and interesting. This will include a brief sketch of motivation, and an account of the economics of information in politics. I will then try to show that the skepticism that is expressed as a result of the crude Downsian approach is not warranted on the more sophisticated approach. Finally, I will argue that the enhancement of workers’ voice in the workplace, either through union representation or through more direct forms of participation, can have a significant impact on the quality of participation in political democracy and can enhance the political power of workers. I will try to show how the more sophisticated Downsian picture can generate this result and I will advance some empirical evidence to this effect. All of this is a way of meshing philosophical ideas with analytical and empirical social science, which I will try to articulate in the Article. At the very end, I will handle some objections to the approach.

II. RATIONAL IGNORANCE AND IRRATIONALITY

The main theme of the skeptics about political democracy is that we cannot expect much good to come from citizen participation because they are either largely ignorant of the political and economic issues surrounding them, or they have some knowledge but that knowledge is deployed in such a partisan way that it is not really useful. The basic hypothesis is that the vast majority of citizens are either blissfully ignorant or have a little knowledge but use it to purely partisan ends. Either citizens do not know what is going on or they are simply pushing policies and ideas that make them feel good about themselves and their fellow partisans. It is hard to see how people like this can genuinely be bringing about major policy improvements. It is hard to see how the possession of political power can actually be useful to such people. Those changes may be occurring, but we must look for another reason—or so the skeptical argument goes.

This conception of citizens derives its support from a particular model of how citizens think about politics as well as empirical evidence that appears to support the model. The basic model comes down from Anthony Downs

and Joseph Schumpeter, though I will argue that the model is not really true to the Downsian picture.

The root idea is very simple. Citizens, individually, have extremely little impact on policy and the conditions of their lives through the vote, which implies that the value of becoming informed about policy is very low if its main purpose is to improve the conditions of their lives. To see this, note that the discount on the value of the vote is very high in large electoral constituencies because the chance that one’s vote makes a difference is very small. If the value of whatever information one collects is that one makes a positive difference to the outcome when one is well-informed, then the value of the information itself is very small because it is discounted so heavily. A rational voter will not spend much time or resources to acquire such information, at least if they are primarily self-interested and outcome oriented.

Rational voters may find some value in becoming informed if they can use this information to get benefits directly from the political process itself. That is, in some cases, they might find it enjoyable to form and participate in groups regardless of how effective they are in bringing about good political outcomes. They may end up becoming a bit informed in order to enjoy these group benefits. But the consequence of this is that the participation in whatever group they are in becomes unmoored from any concern with good political outcomes. They just want to win because it is fun to fight together. This produces low quality policy ideas and a highly antagonistic relationship with others who are not part of the group. So, it may be even worse than simple ignorance, though not much.

III. THE CRUDE DOWNSIAN MODEL OF CITIZENSHIP

The assumptions behind this picture are: (1) people do not place very much store in the common good, (2) they act only individualistically to produce good outcomes, and (3) they must act on the basis of an appreciation of the first order reasons for action. It should be noted before we start that none of these assumptions are part of Downs’s picture. That is why I describe this as a crude Downsian model. The first two assumptions are added on and the third is clearly rejected by Downs’s account. Let us examine each one of these assumptions.

5. See Downs, supra note 1, at 207–76; Joseph A. Schumpeter, Capitalism, Socialism, and Democracy 250–68 (3d ed. 1950).

6. For the seminal discussion of these benefits, see Mancur Olson, The Logic of Collective Action: Public Goods and the Theory of Groups 4, 7–8 (1971).

7. See Downs, supra note 1, at 6–14.
First, let us examine the two motivational assumptions in politics: people are primarily self-interested, and people do not act as contributors to a larger common project but merely as separate maximizers of good outcomes. On the first assumption, citizens do not have to be completely self-interested, they can be concerned to some degree with the common good. Indeed, it must be the case that most voters are concerned with the common good to some extent, otherwise they would not go to the polls at all, at least on the view that citizens are concerned with bringing about good outcomes. But not too much.8

This assumption of the primacy of self-interest is necessary. For highly altruistic voters who care a lot about the common good, the value of the consequence can be sufficiently good because so many people are affected, so that even if the probability that informed participation makes a difference is extremely low, it would still be rational to become informed about the values of outcomes.9

Second, the usual view is that persons are strategic maximizers in politics or purely individualistically outcome oriented. They do not act as members of groups and do things merely to do their share of what is necessary to bring about a good that the group is aiming at. They are not reciprocators. They do things mainly to promote the good on their own, however they conceive of it. Or at least they must be primarily such maximizers.

Third, an important assumption in this context asserts a kind of individualism about knowledge and action based on knowledge. The idea I am thinking of affirms that people can act on the basis of a good understanding of the issues only if they possess that understanding in a way that is directly available to them. Let us call this a kind of epistemic individualism with regard to theoretical and practical reasoning. My action is practically justified to the extent that it is based on my own appreciation of the reasons relating directly to my action and its outcome. If I am not able to grasp the first order reasons for my action, then I am not acting with practical justification. And one strong indicator of this, though not conclusive, is that I cannot articulate the reasons when I am asked for them.

8. Ilya Somin calculates how much of a concern with the common good is necessary to get voters to the polls while not being enough to get them to inform themselves. See Somin, supra note 4, at 79–83.

This last point is important because one of the central pieces of evidence offered for the thesis that people vote in ways that are not effective in bringing about good outcomes is the evidence from empirical surveys of citizens’ knowledge of politics going back about sixty years. The net result of these surveys has been consistently to affirm that people do not know the answers to basic questions about politics. Somewhere between 30% to 60% get the wrong answers to basic questions. This evidence is sobering, without a doubt. It seems to confirm the model that people are rationally ignorant of politics or rationally irrational, in some cases.

There are two parts to the case for the thesis that citizens are not likely to be effective promoters of their own interests. First, there is a model of the economics of information, which asserts that it is rational that they are almost entirely ignorant of politics. It assumes that citizens are predominantly self-interested and that they are individual maximizers. And it assumes that, in order to be effective promoters of interests or the common good, voters must act on their own first order appreciation of the reasons for good action. Second, there is extensive empirical evidence of ignorance on basic questions of politics. This evidence seems to confirm the model.

A. The Basic Problems of the Crude Downsian Model

But there are four very big problems with the crude Downsian model. The first big problem is that the crude Downsian model has a very difficult time explaining why democracies tend to do so well by the interests of their citizens.

We observe not only that democracies do pretty well on the whole and generally much better than any self-described epistocracy, we also observe that as previously disenfranchised groups get the vote, their interests and their ideas about the common good tend to be much better advanced. There is a strong relationship between the rise of universal manhood suffrage by the end of the nineteenth century and the era of progressive reform in the United States and Europe. This culminates, after the extension of the suffrage to women, in the creation of the modern welfare state, with its protection of unions, workers, the elderly, and many others, and its concomitant high rates of economic growth and increased economic equality in the

11. See id.
12. See SOMIN, supra note 4, at 13.
13. See id. at 17–22.
second half of the twentieth century. Granted there may be disagreement on whether this was good or bad; there is certainly a sufficiently large body of economic opinion that favors the development of the welfare state to suggest that reasonable people disagree here. But one thing it seems hard to argue against is that the disadvantaged did know how to promote a plausible conception of their interests. Another interesting piece of data in support of this view is the recent work of economic historian Gavin Wright arguing that the Voting Rights Act of 1965 played a major role in boosting the economic fortunes of African-Americans in the South as well as those of poor whites, many of whom were also burdened by the literacy tests and poll taxes. Wright argues that we can see that Black disenfranchisement after the end of Reconstruction led to a precipitous loss in educational resources as well as other state resources previously devoted to African-Americans and poor whites. And these resources were significantly restored fairly soon after the passage of the Voting Rights Act.

When we add to these observations the more general findings that democracies tend not to go to war with one another, tend to protect basic human rights much better than nondemocracies, tend to produce public goods on a much greater scale, avoid famine in areas previously plagued by it, and many other results, it is really hard to argue that the disadvantaged are not getting some significant bang for their votes. Just in case one is tempted to say that it is the nondemocratic aspects of democracy that are really doing the work in achieving these results, there is evidence explicitly devoted to this question and it suggests that it is the majoritarian aspect of democracy that is most responsible for the protection of human rights.

This first problem already suggests that we should be looking to change the basic picture of the crude Downsian model.

The second problem is that people are not uniformly incapable of answering questions on surveys. Affluence and education tends to improve their

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15. See Gavin Wright, Sharing the Prize: The Economics of the Civil Rights Revolution in the American South 184–85, 198, 205–07 (2013).
16. See id. at 33–34.
answers significantly.\textsuperscript{21} One might think this should be obvious. But the problem for the crude Downsian model is that the affluent and the educated should not be more informed about politics than anyone else. Indeed, if they are well educated, one would think that they would follow the logic of collective action and rational ignorance with greater regularity than anyone else. They should be ignorant about politics because they know how little difference it makes to know something. They should use their educations to develop knowledge that is more useful and more likely to make a difference. Yet, we do not see this.\textsuperscript{22} And indeed, we not only see that they are better informed about politics but that politicians tend to be more responsive to them than to others.\textsuperscript{23} None of this makes any sense on the crude Downsian model. There should not be such a regular correlation between affluence, education, and informedness. I will return to this in a moment.

The third problem is that there is extensive evidence that people are concerned with the common good in politics. Furthermore, people tend to act not exclusively as individual maximizers of their own or the common good. There is extensive evidence that people are willing to do their fair share in the pursuit of collective aims.\textsuperscript{24} They evaluate the group’s activity in terms of its outcomes, but they evaluate their own individual actions in terms of whether they are doing their fair shares of the group’s action. This entirely changes the calculations about what they ought to do. They do not ask what the chances they will make a difference are individually, but what the chances the group of which they are members will make a difference and how they can help.\textsuperscript{25}

The fourth big problem is with the individualism of justification. The demand that people must know the first order reasons for their actions and beliefs is simply not met in the modern world for much of the action that we engage in, which action nevertheless does effectively promote our ends. We depend essentially in our lives on other people’s appreciation of the reasons for action. We depend on doctors’, mechanics’, friends’, and others’ judgments about good action, and the empirical conditions of action, to be effective. We often do not know very much at all about the things we rely on in much of our lives. And this is a good thing too. If we could not rely effectively on a division of labor in the development of knowledge necessary to promote our interests, we would be in bad shape. We could

\begin{itemize}
  \item \textsuperscript{21} See \textit{id}.
  \item \textsuperscript{22} See Voter Turnout Demographics, U.S. ELECTIONS PROJECT, http://www.electionsproject.org/home/voter-turnout/demographics [https://perma.cc/3TAV-2AUY].
  \item \textsuperscript{23} See \textit{MARTIN GILENS, AFFLUENCE AND INFLUENCE: ECONOMIC INEQUALITY AND POLITICAL POWER IN AMERICA 234–52 (2012)}.
  \item \textsuperscript{24} See \textit{Timothy J. Feddersen, Rational Choice Theory and the Paradox of Not Voting, 18 J. ECON. PERSP. 99, 109 (2004)}.
  \item \textsuperscript{25} See \textit{id}.
\end{itemize}
not do our own jobs, take care of our families and other things. The kind of knowledge necessary to the effective promotion of our ends is for the most part held by other people. We depend on them. And the productivity of the society depends on our depending on them. When people are asked about some of the basic features of their lives, such as the composition of the things that they eat or the functioning of all the machines they rely on, or the complications of tax law on which they rely, they generally answer these questions very badly.26 The surveys are not better than in the case of politics.27 Yet, they are able to do things reasonably well to further their interests.28 This point, I think, defeats the connection between the claim that there is widespread inability to articulate an appreciation of the reasons and facts that justify action and the idea that people cannot effectively promote their interests and other ends. It is quite possible that people are wrong one- to two-thirds of the time about the qualities of the products they buy and still are able to promote their ends with those products. The key lies in the fact that they depend on reliable cues from others. So, the evidence culled from surveys of political knowledge does not show that individual citizens are not acting on good political knowledge.29

It also defeats the inference, made by many, that we should turn such decisions over to the market. We consumers, workers, managers, and owners suffer from massive information deficits and use very low information rationality in markets as well as in democracy. The question is not whether shortcuts are used, but whether the society is organized in such a way that the shortcuts will tend to be good ones.30 I will say more about this later.

27. See id.
28. See id.
29. There is very substantial dissent from scholars of the political informedness of citizens about whether the surveys are giving a good picture of how informed citizens are. A large part of that dissent comes from appreciation of the fact that people use many different kinds of complicated methods including shortcuts to keep track of political events. For the classic statement of the importance of shortcuts, see generally Downs, supra note 1, at 220–59. For the seminal application of the idea of shortcuts to political information, see generally Samuel L. Popkin, The Reasoning Voter: Communication and Persuasion in Presidential Campaigns (1991). For a recent sophisticated questioning of the significance of survey data, see generally Arthur Lupia, Uninformed: Why People Know So Little About Politics and What We Can Do About It (2016).
30. This is a serious mistake in Christopher Achen and Larry Bartels’ dismissive treatment of information shortcuts in their otherwise wonderful, though mistaken, book. See Christopher H. Achen & Larry M. Bartels, Democracy for Realists: Why
In brief, the crude Downsian model is simply not up to the task of characterizing the basic motivations and epistemological condition of most ordinary citizens. We need to start anew. I will put together the elements of a more sophisticated Downsian model of citizens in what follows. Much is still left to work out, but it is a start.

IV. A NOTE ON METHOD

We need to pause here and think about what it is that we are doing in this effort. Political philosophy is almost always a combination of social science and philosophy. How do these disciplines mesh? They are clearly coming together in this project, but we need to know more about how they fit. The main way in which they are meant to fit here is that philosophy is meant as a guide in constructing hypotheses that are to be more rigorously empirically tested. Philosophy cannot itself answer the question about what citizens are likely to do or are willing to do in large numbers. What it can do is say something about what citizen participation would have to look like if it is to fit into a political arrangement that is just and rational. The normative standards that have to be defended philosophically are quite abstract and can be realized in a number of ways. The task of the philosophical account is to elaborate different possible realizations and show how particular arrangements can be said to realize the standard. The idea then is to go from the normatively defensible principle to an account of how it is to be realized in actual institutions.

Once we have determined what kinds of institutional arrangements might realize the principles, we can construct hypotheses concerning the behavior of citizens where the hypothesized behavior corresponds to the ethically salient features. And these hypotheses can then be tested in various ways to determine if the institutions are plausible forms of social cooperation. To be sure, the process of reasoning does not normally work in this top-down way. We might have a conception of what kinds of institutions are plausible kinds of social cooperation and then ask whether they accord with reasonable principles or what kinds of adjustments would be necessary to make them conform to principles.

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Elections Do Not Produce Responsive Government 40–41 (2016). The issue is not whether shortcuts are good in general; sometimes they are, sometimes they are not. The issue is what conditions produce good shortcuts on the whole in the circumstances of particular groups of citizens.
V. POLITICAL EQUALITY AND THE DIVISION OF LABOR

We are looking for a way to realize equality among citizens in a society characterized by a highly differentiated division of labor, including an intellectual division of labor in the area of politics. Let me explain. I proceed primarily on the basis of the views of democracy and authority that I have defended elsewhere.31 The underlying principle of democracy, I have contended, is that democracy publicly realizes the equality of citizens under the circumstances of disagreement, diversity, and cognitive bias and under the assumption that there are deep interests in shaping the social world as a whole under these circumstances. There are two central ideas here: popular control, by which I mean a wide distribution of political power, and equality, which demands a kind of egalitarian distribution of power. These requirements are distinct depending on whether one thinks that the notion of equality is compatible with leveling down. I have argued that it is not, and so equal distribution of political power implies that people actually do have power to advance their aims.32

There is a further constraint that is important in democratic theory. It may be thought to be derivable from the egalitarian theory, but it is worth drawing it out since it is interesting on its own and it will pose a puzzle for the view that I will defend. I have said that we are interested in the distribution of power. But power is not an easy notion to pin down, especially when we come to the question of the ability of persons to inform themselves about matters that are important to them. The reason why there is a puzzle is that one can, in the process of informing oneself, come to a change of preference. Indeed, this is something that we expect and even hope for many times in democracy. We hope that democratic discussion and debate will improve people’s preferences.

At the same time, however, we take the stance that democracy is impartial between at least a very wide array of preferences. This implies that democratic principles do not presume the validity of one set of values or preferences as opposed to many others—within limits, to be sure. To put it in a weaker way, democratic principles are meant to be quite open about these values. This makes it difficult to assess when a person is better informed than

another or even than he was in the past. If power is defined in terms of
ability to get what one wants, we need to have a metric for evaluating how
able a person is to inform himself without presuming a conception of his
interests or values. To some extent we are able to do this, of course. We
design systems of education with some concern that they be worthwhile
for a very wide variety of aims. But there are limits. If, in our conception
of power, we are to take into account the ability of people to inform themselves
or even reflectively to revise their preferences, we may find that we cannot
define people’s power without reference to a set of interests we impute to
them.33 I note this here, but I will come back to it.

The trouble that the crude Downsian picture poses for the idea that
democracy involves a wide and equal distribution of power is that it is
unclear how we can think that citizens have any power at all since they
would be expected not to know anything about the issues that are in play
in politics or the political system that they are supposed to be controlling.
They are in the position of children in the driver’s seat of a car who do not
know the first thing about how to drive it or where to go with it. It is hard
to see how the system goes anywhere on this view.

We noted two facts that seem to contravene the crude picture. We noted
that democratic societies seem to be advancing the interests of the broad
mass of people in a society.34 We also noted that people are quite unevenly
informed about politics in ways that track affluence and education.35 Downs
argues that because there is a systematic cause of this difference in information,
some people have more power than others.36 And indeed, his view is that
the affluent will tend to have significantly more power than others. The
basic logic behind this idea is that politicians pay attention to the views and
ideas of the affluent because they know the affluent are paying attention
to them.37 At the same time, politicians can avoid worrying too much about
the views of the others because they are only seldomly paying attention.38
This appears to have some empirical support in the work of Larry Bartels
and Martin Gilens who argue that politicians are much more responsive
to the preferences of the views of the affluent than to others.39 We already
noted this as a problem for the crude Downsian view because it suggests

33. This is a version of the issue unearthed by Steven Lukes, see STEVEN LUKES,
34. See generally ACEMOGLU & ROBINSON, supra note 14.
35. See DOWNS, supra note 1, at 235.
36. See id. at 257.
37. See id.; GILENS, supra note 23, at 234–52.
38. See DOWNS, supra note 1, at 236.
39. See generally LARRY M. BARTELS, UNEQUAL DEMOCRACY: THE POLITICAL ECONOMY
OF THE NEW GILDED AGE (2d ed. 2016); GILENS, supra note 23. We will see some important
exceptions to these observations later.
that some people are well informed about politics despite the fact that the very same logic of rational ignorance applies to them as well.

In addition, however, the more sophisticated Downsian view poses a problem for the egalitarian conception of democracy because it seems to offer a kind of systematic prediction of inequality within democracy. Downs argues that inequality of political power is a necessary part of democracy since it is a necessary concomitant to the division of labor in modern society. Here, again, power is understood in terms of the ability to get representatives to do what one wants them to do.

So, we have three main values here: (1) the wide dispersion of political power, (2) an egalitarian distribution of power, and (3) a wide distribution of abilities to acquire understanding and information, which distribution is understood in a way that is open to a wide array of preferences. These values are then to be made compatible, if possible, with the central reality of the division of labor to modern political societies. The existence of this division of labor, which includes an intellectual division of labor, is what poses the main problem for the equal distribution of power in a democracy. In a phrase, the problem is to reconcile the ideal of the equal distribution of power with the central reality of the division of labor. This is precisely what Downs thought was impossible and remains a challenge even if we reject the crude Downsian picture.

I hope to make a little progress in this project of reconciliation, but the progress cannot be completed by philosophy alone. What philosophy can do is say what the contours of citizenship must be like in order that this reconciliation be possible. But social science remains necessary to determine whether, to what extent or under what conditions, that ideal of citizenship can be realized.

VI. THE ROLE OF CITIZENSHIP

In previous work, I defend the thesis that the ideal of citizenship can be satisfied if citizens are the choosers of the aims of society and the rest of the apparatus of the state is devoted to realizing those values. By this, I mean that they choose the values and the relevant trade-offs between those values. By values I had in mind both outcome values and procedural values such as rights. And the values and trade-offs are to be chosen in an egalitarian process of collective decision-making. The degree of determinacy of these

40. See Downs, supra note 1, at 257.
choices would have to be sufficient to guide the making of policy.\footnote{See Christiano, The Rule of the Many, supra note 31, at 165–201.} There are limits of course, I argue, in that they are not permitted to choose values and trade-offs that are inconsistent with the values that undergird democracy, which I claim also undergird basic liberal rights.

A brief note on social choice theory is worth a moment here. I was untroubled by the results of social choice theory and remain so because I do not see the point of democracy as being the choice of a collective preference or will in any traditional substantive sense. Each person is aiming at justice and the common good, I claim, but they disagree on what these are. The point of the democratic process is the equal distribution of power so as to allow each their opportunities to determine the outcome. Hence, cycles and other difficulties of social choice theory are problems, but they are problems that citizens have to deal with in an egalitarian way.\footnote{See generally Thomas Christiano, Political Equality, in MAJORITIES AND MINORITIES: NOMOS XXXII 151 (John W. Chapman & Alan Wertheimer eds., 1990); Thomas Christiano, Social Choice and Democracy, in THE IDEA OF DEMOCRACY 173 (David Copp, Jean Hampton & John E. Roemer eds., 2009). For a more developed conception of this approach, see generally Sean Ingham, Rule by Multiple Majorities: A New Theory of Popular Control (2019).}

The choice of aims model gets at an important feature of democracy and has the potential to reconcile democracy with the division of labor because we do not generally recognize expertise on the subject of what aims society must pursue. To be sure, some people are better at thinking about this than others, but who those people are is not something that one can give an uncontroversial account of from a public standpoint. The society is too pluralistic to be able to do that.

The trouble with the choice of aims model is that it seems incomplete. And here I only give an intuitive argument. It is not enough that people determine the aims the society pursues; they must have some awareness that that they are doing so. If we determine the aims of society but have no sense that the society is pursuing those aims, then there is something highly incomplete about our control. Some kind of reasonable confidence that the society is doing this also needs to be part of democratic citizenship. That reasonable confidence can then play a role in rethinking the aims when we see that the society has done what it can to achieve them, and we see what that society is like.

But this is where the Downsian problem picks up again. The reasonable confidence is something that depends on empirical knowledge and this can be quite uneven in the population. It will, Downs argues, be unevenly distributed in a way caused by the division of labor.
In the next three sections, I want to give a revised micro theory of citizenship that can help us think about how to solve some of the difficulties Downs thought were impossible to solve. We are being guided here by an egalitarian conception of democracy and a related conception of the role of citizenship, which I have just described. And we are trying to see how this role of citizenship can be satisfied in a reasonably egalitarian way in a society with a complex division of labor. I will then develop a very simple model of the economics of information in political contexts and show how the problem of inequality arises. Then I will show how certain kinds of institutional ideas can help ameliorate the problem of inequality. This introduces complementarity of the sort I described at the beginning. I will then raise a puzzle about my solution because it appears to take a stand on appropriate values that we normally want to avoid. What I will then try to do is show how another kind of complementarity might help ease the worry somewhat.

A. Towards a More Sophisticated Micro-Theory of Democratic Citizenship

There are three components of the view I will develop here. First, I assert a certain conception of motivation that makes reasonably informed citizens possible. Second, I develop a small model of economics of information that can explain the inequality we see but that also suggests how inequality can be mitigated. Third, I suggest an institutional fix.

Let us consider a different account of rational motivation in this context. People might become informed because they think it is their duty to do their fair share in the collective project of political decision-making. They might think of themselves as members of groups of various sorts such as citizens, progressives, free marketeers, conservatives, defenders of public morals, members of a particular political party or whatever. They are members in part because they think that the aims of the group are, on the whole, good ones to try to achieve by means of policy, and they think the group is competently pursuing those goals. This involves two elements. They have a concern for the common good and justice, which they pursue within a larger group of people. And they want to make contributions to the pursuit of the aims of their groups and think that they should do their fair shares within that group to help it promote the desirable aims. People do this, to think of a nonpolitical instance, when they contribute to recycling. They might think that the group or groups of which they are members have chances to affect outcomes and then proceed to do their fair share of helping
the group bring about desirable outcomes. The group is acting in an outcome oriented way, but each individual is only partly acting in an outcome oriented way; they are also just doing their shares to advance the group’s concerns.

There is evidence that citizens are genuinely committed to pursuing the common good in the context of politics. First, their participation seems to suggest this. And second, surveys uniformly suggest that they are concerned with the common good in voting. There is also substantial evidence that people are motivated by the idea of contributing a fair share to a collective project, at least when they perceive enough others to be similarly motivated. They are motivated to be “strong reciprocators” in many different kinds of environments. And these motivations have been detected in numerous controlled experiments. But the activity of citizenship is an obvious context in which this kind of practical reasoning can take place. And there is evidence that people think of themselves as motivated by this kind of reasoning in politics. Of course, how active citizens are will depend on how much others are participating, and how informed they are will depend on the norms they accept concerning how informed they should be. We do not have a clear model of how this kind of motivation works in the context of citizenship, but it would be reasonable to think that it is of great importance.

When we combine these two points, we can see that the potential for citizens to think that they should be reasonably well informed, and that it might be rational for them to be so, is quite high. Much depends on how concerned they are with the common good and whether they are willing to do their fair share in promoting that common good, as well as how much they think others are doing their parts. These are very large questions about what citizens are motivated to do and without answers to them, an essential part of the crude Downsian inference to the conclusion that citizens will simply be ignorant of politics is undefended and seems to be false in significant part.

The other essential element of the sophisticated Downsian approach starts with a kind of collectivism in practical and theoretical justification. What I mean here is that many times we act on the basis of first order reasons

44. See Mackie, supra note 26, at 290.
45. See id.
46. Ernest Fehr & Urs Fischbacher, The Economics of Strong Reciprocity, in MORAL SENTIMENTS AND MATERIAL INTERESTS: THE FOUNDATIONS OF COOPERATION IN ECONOMIC LIFE 151, 151 (Herbet Gintis et al. eds., 2005).
47. For a classic statement of this approach and the many sources of evidence, see generally id. at 151–92.
48. See id. at 290.
that only others appreciate. I think my car is in good shape and drive it without concern because my mechanic thinks it is fine. I think I am in good health because my doctor says so. I do not really know the reasons for this, but to the extent that the mechanic and doctors I rely on are trustworthy, I act on the basis of good information. I cannot articulate the reasons, and I do not have an appreciation of them. As I noted above, this kind of dependence on other people’s knowledge is ubiquitous in modern life, which depends heavily on the division of labor both cognitive and noncognitive.49 But it does not undercut the ability of people effectively to promote their interests, indeed the opposite is true. To put it in a slogan, for hunter gatherers, each of whom know an enormous amount about their environments, life is short and difficult, while for us, who do not, life is long and easy. But let me fill this picture out with an economics of information, which displays the collective dimension of knowledge.

B. Economics of Information

Let us put together a very simple model of the economics of information here. Every person collects information up to the point where the marginal benefit of the information equals the marginal cost. And if we take the springs of motivation to be those I outlined above, marginal benefit refers to the extent of my doing my share in promoting the collective aim and marginal cost refers to the other aims I do not contribute to and the things I cannot do to advance my interests and those of my friends and family. This is quite a heterogeneous set of things so it will be hard to give it a clear formal representation. In any case, this is the basic principle of information gathering. What this implies is that people will economize on information gathering. They will not try to know everything because the marginal cost of acquiring a lot of such knowledge is greater than the marginal benefit. The more time I spend collecting information, say, about politics or about my car, the less time I have to do other things like play with my child or do my job. At some point, the marginal cost is greater than the marginal benefit of new information. And in such a case, I do not collect the relevant information. This is what Downs means by rational ignorance. There are many things of which I am ignorant because it is not worth my while to collect the information.

49. For a discussion of this in many different areas of life, see generally RUSSELL HARDIN, HOW DO YOU KNOW? THE ECONOMICS OF ORDINARY KNOWLEDGE (2009).
There are two essential steps here. First, I need to know something in order to figure out what the marginal costs and benefits are. Second, I need to know how to diminish the costs of information collection.

The first step is achieved by what Downs calls the “free information system.” This is information that we get for free in the sense that we do not acquire it by expending any effort or time or money for the purposes of politics itself.50 We get the information for other purposes. Lawyers get information about the law in order to do their job; businesspeople get information about taxes and regulation in order properly to organize their business. We get information from doing our jobs, from talking to colleagues, friends, and family. We get information in school, which we are required to absorb. And we get information just because it is thrust upon us in everyday life. Again, this information is free in the sense that the person who has it did not expend any effort or money on collecting it for the purposes of politics. It is useful for politics but, as such, it is a by-product of other activities. It is from this information that we can begin to form the judgments about what further information is worth trying to get and how to get it. Without the first step, there is no way we would even be interested in knowing about politics.51 I will say more about this, but for Downs, differences in the reception of free information play a large role in explaining differences in the extent of political knowledge and thus in explaining inequality of power.

One thing that is not well explained on the crude Downsian model of isolated individuals is the fact that some groups in political society tend to be pretty well informed. These are in general the well educated and the relatively affluent.52 Good education does not entail good political information, of course. Indeed, on the crude model these people have no more reason to become informed than anyone else. One might even think that they have reason to be less informed since they presumably understand the logic of rational ignorance better than others do. Yet the reverse is the case.53

At the same time, there is good evidence that representatives and senators in the United States tend to be much more responsive to the concerns of relatively affluent individuals in their political decision-making than to the concerns of others.54 Hence, the better information seems to pay off.

Downs thought that this made sense because the relatively affluent, on average, are more likely to have jobs that interact with law and government in sophisticated ways, and so these people are more likely to start from a base

50. See Downs, supra note 1, at 221.
51. See id. at 224.
52. See id. at 235.
53. See Voter Turnout Demographics, supra note 22.
54. See Bartels, supra note 39, at 1–3; Gilens, supra note 23, at 234–52.
The information is free because it is acquired for the purpose of doing good work but then becomes useful to them in their roles as citizens. Furthermore, affluent people interact with other affluent people who have similar sources of free information in different jobs. Thus, they learn more from their work and they learn from their coworkers and family members about other politically important facts. Hence, they start from a good base, which enables them to engage in much more effective pursuit of information from there. They have a better sense of what the marginal costs and marginal benefits are from further information and methods of saving information. This is, then, a powerful source of inequality. Not the only one, but an essential one.

The second step involves further collection of information. And here we rely heavily on various methods for reducing the costs of collecting information, in all walks of life. As Downs observes, we rely heavily on friends, coworkers, newspapers, opinion leaders, television, political parties, interest groups, and other networks to receive information. But we also rely on these crucially to avoid having to receive information. Many of us, completely rationally, rely just on party affiliation to determine who to vote for, and we effectively advance our ends by doing so. We also rely on each other and opinion leaders without knowing the reasons for which the opinion leaders act. As long as party, friends, and opinion leaders make recommendations on the basis of reasons that are important to us, we do not need to know more. Here, too, there is an important source of inequality since the affluent have more resources that help them in the pursuit of better information. All of this implied for Downs that people who are better off would be better informed and more effective than the others.

One main point to remember is that it simply does not follow that people who do not answer questions very well about politics do not make good choices in politics. In fact, we know people make a lot of good choices in many areas of life without possessing the knowledge to show that they are good choices. And so, this reasoning is not strong enough to defeat the evidence given above that the disadvantaged have benefited greatly from participation in the political system. The evidence is not conclusive, to be

55. See Downs, supra note 1, at 220–37.
56. See id.
57. This is one of the main messages of recent thinkers such as Arthur Lupia. See Lupia, supra note 29, at 3; James H. Kuklinski & Paul J. Quirk, Conceptual Foundations of Citizen Competence, 23 POL. BEHAV. 285, 288 (2001).
sure, but I do not think the election surveys give us good reason to doubt the direction of causality from voters to beneficial policy.

Notice here that the fact that only one third of a population can answer basic questions about politics may be a sign of great efficiency. Why not have different people hold different pieces of information? Again, we do this kind of sharing in markets all the time, why not do it in the case of democracy?

The key question here, of course, is whether the networks of people and institutions are set up to be reliable sources of free information and reliable sources of shortcuts. And the further question is whether the networks operate in such a way that there is a kind of egalitarian distribution. This is where complementarity comes into play.

C. Institutions Matter

These reflections point to the importance of institutions to democracy. The above arguments are not meant to suggest that all is fine in modern democracies. They are only meant to suggest that there are rational and effective ways for people to make good decisions even with low levels of information. They suggest how democracies have been able to achieve what they have achieved, but they can also point to how democracies can be improved. The previous analysis implies that how well people make decisions—both in democracy and in markets—will depend very much on how reliable the groups of people and networks they rely on really are. Whether things go well depends essentially on whether networks of information are set up in such a way that enables people to make good decisions. And this is where institutional design can play a large role.

With regard to free information, for example, Downs argues that the dishwasher will not have much in the way of quality free information from work and so will be at a disadvantage with regard to information collection relative to professionals, business managers, and government employees.58 And to the extent that the dishwasher’s coworkers, friends, and family are in similar circumstances, the information they receive from discussion will not be as good as that which is shared by professionals and business persons.59 This is straightforwardly a consequence of the division of labor. Hence, as a result of the structure of the division of labor alone, there will be significant inequality in politics. This does not mean, of course, that people in these positions cannot be adequately informed to make some difference in advancing their interests. And I think we have ample evidence that they

58. See Downs, supra note 1, at 220–37.
59. Id.

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are able to make a difference. But the issue posed here concerns ways in which the distribution of power is affected by the division of labor.  

But there is reason for questioning the stark contrast Downs draws between managers and professionals on the one hand and workers on the other hand. There may be ways in which the division of labor can be altered so as to bring ordinary workers into a higher quality free information stream. There has been a spate of recent studies that suggest that there are institutions from which working class and lower middle-class people can benefit both economically and politically.60 These studies suggest that unions have played a significant role in making representatives and senators responsive to working class and middle-class people, bucking the tendency pointed to by Bartels and Gilens.61 These studies suggest that districts with strong union presence show significantly less inequality of representation than districts with weaker union representation.62 The effect seems to be through the activity of voting and not primarily through union funding of campaigns.63 Furthermore, it appears that part of the reason for this increase in responsiveness is that union members are better informed than nonunion members about matters of importance to them both. They tend to take more nuanced views of political issues.64 The results have suggested that the responsiveness of governments, representatives, and senators to working class concerns has declined appreciably with the decline of unions.65  

This is relatively new work, but it has been growing rapidly in the last five years. It requires further analysis. But it does fit with the sophisticated Downsian model, in which unionized workers receive a great deal of free but high quality information at their workplace. The union must make good use of law and government to advance worker interests in the workplace, and workers need to take account of this in the workplace; this information, then, is available for free in political contexts. Furthermore, the shop floor provides a good context in which information is shared among differently informed persons. This may be an example of institutional structure that

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61. See id.; supra note 39 and accompanying text.
62. See Flavin, supra note 60, at 1077–78.
63. See id. at 1075; Daniel Stegmueller, Michael Becher & Konstantin Käppner, Labor Unions and Equal Representation, Paper Delivered at 113th APSA Annual Meeting (Sept. 1, 2017).
65. See id. at 728–29.
can enhance workers’ understanding of politically important information in a rational way. It does this by improving the information networks ordinary workers participate in.

More generally, various forms of worker participation in the governance of firms, including though not limited to union participation, may help overcome the kinds of problems Downs points to. By worker participation, I mean some kind of worker participation in the management of the firm. This means the addition of workers’ voice to the decision-making of firms. This may involve participation in unions, it may involve some kind of codetermination as is required in German firms of more than 2000 workers, it may involve worker ownership with some kind of control rights. I mean for the category to be quite broad. I think there is evidence that each one of these forms of worker participation can be value enhancing for firms. But different forms of worker participation may be desirable for different kinds of markets.

Recall that the Downsian problem is that there is an inalterable conflict between equality and a complex division of labor. And that a significant part of this conflict is derived from the flow of free information to the different positions in the division of labor. Some positions in the division of labor benefit from very high quality free information that enables people to go on to make good decisions concerning what information to look for and where to look for it. And one key difference is that some persons are in positions of control in firms, which exposes them to the fine grain of law and policy, while others are not. One can see here that a promising solution to the Downsian problem, if there is one, is to alter the division of labor.

VII. COMPLEMENTARITY

You can see that the thesis I am putting forward here is a form of complementarity of the second sort I announced at the beginning. Employees’ voice in the economic realm can help enhance the voice of these very same

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69. For a defense of the educative role of worker participation as a way of enhancing participation in political democracy, compare Carole Pateman, Participation and Democratic Theory 110 (1970). My thesis here complements hers. While she focuses on the effect of worker participation on the sense of efficacy of workers, I am focusing on the ability of participation to enhance the informational abilities of workers.
people in the larger political system because it can play a role in enhancing the informational abilities of those employees. I think we have reason to agree with Downs that the division of labor may be detracting from the quality of participation from a large swath of the population, and that it diminishes the voice of this group dramatically. But I think there is reason to believe that the division of labor itself can be changed. It is itself a product of politics. We see ample evidence of economies that operate with divisions of labor that give employees voice in the management of firms, either through unions or through direct representation on boards of firms, or both.

There are a number of ways that an employee’s right to a say in firms can enhance their political abilities as citizens. First, it enhances the flow of free information to employees because they must become acquainted with law and policy relating to firms in order to perform their role in the firm. If they are in a firm where their coworkers also have a say, then they will also benefit from the information sharing that takes place as a result of casual conversation among workers in the firm. And if their family members also have rights to a say in their firms, they can also share information among themselves. They can then all benefit from their different positions in the division of labor.

This great increase in the flow of free information will greatly enhance each person’s ability to become informed about the society and political system they live in. It can give a much more solid basis on which to decide what kinds of information to pursue and what kinds of shortcuts to make use of. They will become better at sorting out the wheat from the chaff in the political information they are exposed to on the internet and in social media. They become less prone to demagoguery in the political sphere, or so the hypothesis I am exploring suggests. To be sure, there are no guarantees here, there will still be room for uninformed and unintelligent activity, but the tendency will be diminished.

Second, the institutions of which workers are members will themselves be a good source of rationally founded information and information shortcuts. This is particularly true of unions that have large memberships and internal divisions of labor with expertise on matters of law and policy. Membership in unions can provide members with access to information that is rationally geared to the interests of workers. It can also provide information shortcuts for employees insofar as the unions are properly organized.

Third, membership in unions and firms with worker participation can provide the members with the experience of argumentation and debate
that is so important in the political sphere. The debate, insofar as it is disciplined by the needs of the firm and the workers, is likely to give the members an experience in debate that is disciplined and constrained and, thus, be a school for participation in debate in the larger society.  

VIII. WORRIES

One worry to which my proposal can give rise, and which requires further reflection, is that it may seem to violate the impartiality that democracy ought to take towards people’s preferences and values, within substantial limits. This is because my proposal is recommending an alteration of the division of labor on the grounds that this will enable workers or lower middle class and poorer citizens to gain greater informational abilities in the political process and, thus, greater political power. But this thesis is committed to the idea that greater informational abilities with regard to economic organization is an especially prominent concern that should be accorded a special place in political organization—special enough to warrant a major intervention in the division of labor. Does this not introduce a kind of bias in favor of economic issues into our thinking about the political system? And does this proposal not take too much of a stance on a set of issues on which democratic societies ought to have a say?

I think this worry should be taken seriously. But I want to say several things to mitigate the worry. First, the proposal leaves a lot of room for different views of employees, so it does not take a particular stand on these. And the particular proposal leaves substantial room for different ways in which worker voice can be realized in the market. Second, the proposal merely emphasizes something that is quite important to the vast majority of people in a society—namely the legal organization of economic life. It is not as if this proposal imposes these concerns on most people; it simply enhances their abilities to deal with the issues. Third, the proposal does not preclude other issues from having great importance in politics. Questions of morality, religion, education are not likely to be crowded out by a more sophisticated approach to economic organization. Fourth, greater sophistication in economic matters and on the issues that relate to these matters should be to the advantage of political thinking about other matters.

Another worry is that I have not given a conclusive demonstration that the approach recommended here will work to enhance ordinary citizens’

70. For the classic source for this argument, see id. at 109; Joshua Cohen & Joel Rogers, Associations and Democracy, SOC. PHIL. & POL’Y, Summer 1993, at 282, 283; Martin O’Neill & Stuart White, Trade Unions and Political Equality, in PHILOSOPHICAL FOUNDATIONS OF LABOUR LAW 252, 252 (Hugh Collins, Gillian Lester & Virginia Mantouvalou eds., 2018).
participation in democracy. I readily agree with that. I have stated all along that the philosophically guided reflections on economic and political institutions must be completed by social science. I have offered some social science to suggest that the task may be worth pursuing, but conclusive proof is not available at this point.

Another worry is that unions have been in decline and worker participation of other forms has not managed to take off in the market. This may suggest that these institutional recommendations may make the relevant markets much less efficient and productive. This too is a worry I take seriously. But I do not think we have conclusive evidence for the thesis that enhancing workers’ voice in any of these ways will stifle productivity or efficiency. First, the decline of unions is much more a political decision than anything else. And it has not particularly enhanced the efficiency of markets in the United States. If anything, it appears to have helped in the dramatic increase in inequality over the last forty years. Furthermore, the presence of powerful unions is quite compatible with high functioning economies, as we see in northern Europe and in the United States before 1975. Moreover, the presence of more direct forms of worker participation has been reasonably successful in Germany, though there is a lot of debate about it, still. Finally, the absence of worker participation in economies that do not require it owes much to market imperfections and inequality in the society.

IX. CONCLUSION

To conclude, the issues raised by skeptics about democracy are important ones to discuss. They go to an oddly neglected part of democratic theory, which is the way in which citizens can become or not become able to make good decisions in a political society. I have tried to show that pessimism

71. Jake Rosenfeld, What Unions No Longer Do 3 (2014)
72. See id. at 52–54.
73. For the argument that inequality is in significant part owing to the decline of unions, see id. at 78.
75. See FitzRoy & Kraft, supra note 66, at 366.
76. For the proof that in perfectly competitive and complete markets, labor renting capital and capital renting labor are equally viable forms of the organization of production, see Jacques Dreze, Labour Management, Contracts and Capital Markets: A General Equilibrium Approach 25–26 (1989).
about democracy is overstated and that there may be good grounds for thinking that democracy can work well despite the necessity that it work in a context of low information decision-making. The problem of low information decision-making need not undermine democracy’s promise to advance the interests of citizens broadly. A careful attention to the institutional context in which citizens operate is necessary to make good on this promise. Indeed, the idea explored here is to reshape the division of labor so as to enhance the participation of workers in political democracy.