



Democracy, Spontaneous Order and Peace:  
Implications for the Classical Liberal Critique of  
Democratic Politics

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## **Democracy, Spontaneous Order and Peace:**

### **Implications for the Classical Liberal Critique of Democratic Politics**

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Recent years have witnessed political scientists and others begin to focus their attention on one of the few invariant patterns to be clearly established in political science. Unlike other forms of government, liberal democracies have never fought wars *with others of their own kind*. War is one of the most unpleasant constants in any human society large enough to organize them, with this sole exception. In my view the implications of the democratic peace extend far beyond this obviously important fact, pointing towards the need to rethink the character of political democracy and, as a result, of modern ideologies which have taken the usual view for granted: that democracies are simply another variety of state.

Much is at stake in established orders of thought, which is why I think a recent book by a pioneer investigator in the field, R. J. Rummel, was so harshly reviewed in the *Independent Review*. (Carpenter, 1998a, Rummel, 1998, Carpenter, 1998b) If democracies are unique from other forms of government, as Rummel's and others' claims for their peacefulness towards citizens and one another suggest, then possibly the classical liberal and libertarian critique of democratic government needs re-examination. By separating liberal democracy from undemocratic states, Rummel also separated the classical liberal and libertarian critique of the state from a straight forward application to liberal democracy.

Rummel's separation is long overdue. Carpenter's arguments against Rummel are wrong. But even more important is why they are wrong. The work of F. A. Hayek and Michael Polanyi holds the key to understanding the democratic peace, and thereby leads to rethinking the classical liberal and libertarian critique of politics. To jump ahead, democracies are spontaneous orders in Hayek's sense of the term. Consequently democracies are not states in the usual sense, and often do not act like them.

Western modernity is almost entirely the outcome of liberal principles. Modern society is rooted in a belief in individual freedom and responsibility, private property, equality of status, and in the principle that

persuasion among responsible equals should be the fundamental basis for social order. Regardless of whether liberal theory is rooted in natural rights, utilitarianism, or the moral sentiments model developed by David Hume and Adam Smith (as I prefer) these principles apply. (diZerega, 1996)

These liberal principles encourage the development of some social institutions while retarding others. Two institutions I imagine all readers will grant to be expressions of liberal principles are science and the market order. Science has transformed humankind's conception of knowledge and its relationship to the material world just as the rise of the market order has transformed the ways in which human beings provide for their material needs and desires. Both science and the market are considered among the most impressive and productive fruits of the rise of liberal modernity, first in the West, increasingly throughout the globe.

With the rise of liberal, or representative, democracy, a similar transformation has taken place within the political world. But with great irony, liberal thought, so responsible for all three transformations, has been slow - glacially slow - in grasping the full significance of what has happened in the political sphere. The reasons for this failure are interesting.

#### Spontaneous Order as the Defining Liberal Institution

In my view the pre-eminent contemporary liberal thinker was F. A. Hayek. Along with Michael Polanyi, Hayek focused on the expanded role in modern society of what they termed "spontaneous orders" as liberalism's most important institutional innovation. In such unplanned orders, abstract procedural rules facilitate voluntary agreement leading to the rise of increasingly complex patterns of human cooperation, dwarfing in complexity any that had heretofore existed. Hayek is the pre-eminent theorist of spontaneous order of the market and Polanyi the equivalent theorist of such an order in science. (Hayek 1948, pp. 77-106, 1978, pp. 179-90; Lachmann, 1986; Polanyi, 1969; Ziman, 1968; Hall, 1988)

However, liberal democracy is a third liberal institution that also qualifies for these accolades. Unfortunately, Hayek and liberals in general tended to classify liberal democracy as simply another variety of state, perhaps a more humane form since, as the cynical adage goes, "ballots are better than bullets," but a state nonetheless. That European democracies generally inherited their administrative, military, and often

judicial institutions from earlier undemocratic states made this judgment understandable. All that seemed to happen was a shift in rulers. But this judgment is nonetheless misguided.

The term “state” was first used to describe organized hierarchies of domination. It, and not society, was sovereign. The people were resources used for its purposes. Hobbes’s picture of the “Leviathan” as an immense figure comprised of many tiny people with the giant controlling head of a king is an accurate metaphor for the state as originally conceived.

The modern liberal democratic polity is as fundamental a social mutation from earlier states as the market order and science are from earlier means of material production and of the discovery and evaluation of knowledge claims. In making this distinction I am simply repeating in the political context a point Hayek made respecting economic science. The economy in the strict sense, Hayek writes, “consists of a complex of activities by which a given set of means is allocated in accordance with a unitary plan among competing ends according to their relative importance. [But] What is commonly called a social or national economy is . . . not a single economy but a network of many interlaced economies. Its order shares . . . with the order of an economy proper some formal characteristics but not the most important one: its activities are not governed by a single scale or hierarchy of ends.”(Hayek, 1976, pp. 107-108) *Precisely the same kind of distinction applies between democracies and states.* Hobbes’s Leviathan no longer has a head.

### Democracies and States

I am being deliberately provocative, challenging many readers of this journal who usually juxtapose the state against the market as the two competing means for ordering large scale society. This juxtaposition is based in large part on a misidentification of the democratic polity with the state. I could drop this distinction and simply call democracies new kinds of states, but that would encourage perpetuating misunderstandings arising from classifying democracies with kingdoms and despotisms. Their formal similarities are eclipsed by deeper systemic differences, justifying the distinction. As we shall see, democracies have more in common with science and the market, than with states.

Historically states have been more than simply the legal monopolization of the power of violence. Tribal societies do not possess states. They do exercise control over legitimate force.

The state is sovereign because no other social institution or group may legitimately (according to the state's leading officials) challenge its claim to be society's ultimate decision-making power or seek to join in governing without its permission (Weber, 1964, p. 156). States are characterized by the *organized* monopolization of the means of violence. A party, clique, faction, junta, clergy, or other identifiable group organizes government to serve its perceived interests. To the extent its organization is effective, its domination is open ended. This is what states have been historically. For example, writing of Machiavelli's use of the term *lo stato*, today translated as "the state," Hanna Pitkin observes that "it is not enough to ask whether Machiavelli means the nation or the Prince's position: the point is that the two form a single concept for him." (Pitkin, 1972, p. 312). When the prince falls, the state falls. This equation of the state with an organized hierarchy of ends persists today, and so is why the field of international relations often treats states as "rational actors."

Viewed in this way the state is an instrumental organization. There are many kinds of sovereign states, but all are organized more or less efficiently and effectively to serve the interests of those who control them. The modern totalitarian state, and traditional despotisms such as the Byzantine and Imperial Chinese states, are the most obvious examples. But even more moderate and limited traditional monarchies can be easily identified in terms of which specific interests enforce their dominance.

Liberal democracies cannot be comprehended adequately in these terms. Most importantly, liberal democracies universally subordinate the state institutions of police, military, courts, and law making to the systemic principles which characterize spontaneous orders in Hayek's sense. They are ordered by processes rooted in abstract procedural rules.

In the US, the incumbent administration at any particular time in some ways resembles a traditional state: a (more or less) organized hierarchy geared to pursuing identifiable goals and having authority over the means of violence. This is why a purely static analysis of liberal democracy causes the observer to miss crucial differences between democracies and states. They appear simply as unusually disorganized states. But this error is exactly like that committed by those who argue that a single company's prominence within a sector of the market evidences monopoly power. In both cases an organizational hierarchy is presumed to be in control of its systemic environment when in fact it is subordinated to it.

In comprehending the democratic transformation of Western and other societies, the writings of the American revolutionary and founding eras are unusually insightful. This is because the Founders were seeking to establish a polity predicated largely upon liberal values, particularly consent. Equally important, there was no former government that needed democratization. To be sure, pre-liberal holdovers, particularly slavery, exercised their own baleful influence. But more than in Great Britain, France, or elsewhere, in the United States the defining principles of modern liberalism were able to take institutional form and be justified (as well as attacked) in purely liberal terms, with remarkably few holdovers from pre-liberal times (Lipset, 1971, 1996).

Most importantly, the new government was not sovereign. The people were. Further, the people were not conceived of as simply a mass where the preponderance of power would inevitably triumph. The principle of majority rule, so often and mistakenly considered definitive of democracy, while given appropriate weight as a practical principle of decision making, took second place to that of consent. Supermajorities were needed for particularly important decisions, and even routine decisions required a majority of two houses elected on different principles for different terms, as well as the concurrence of the President - majorities of three different aspects of the American people (MacDonald, 1967; Wood, 1972, p. 453). These provisions directly contravene the principle of majority rule as usually conceived of by political theorists, but were believed to strengthen the case for popular consent to the proposed Constitution. Despite the many enormous changes in American government since the Founding, these characteristics continue to be defining features of our government.

It is highly significant that the Founders themselves were often unsure what to call the new government. In describing the US government, James Madison wrote “It is a system of Government emphatically *sui generis* for designating which there consequently was no appropriate term or denomination pre-existing.” (Madison, *Writings*, vol. IX, p. 177). The Founders, far more than liberals today, (classical or otherwise) were aware that they were creating something new. Often they called it a republic, but this term was largely a rhetorical ploy, hiding new ideas behind familiar and venerable terms. The American ‘republic’ differed from any earlier republic, for it was in fact a representative democracy.

Those claiming "we are a republic, not a democracy" parade their ignorance of the Founders' thinking. Madison and Jefferson's remarks criticizing democracy were aimed only at direct democracy in city states. In Federalist 10, Madison wrote "The two great points of difference between a democracy and a republic are: first, the delegation of the government in the latter, to a small number of citizens elected by the rest; secondly, the greater number of citizens and greater sphere of country over which the latter may be extended."

Madison often called the proposed government a "compound republic" - something that did not fit into earlier categories. It was compound because complete institutional authority resided in neither the national nor the state governments (Ostrom, 1987). Even today that distinction has not disappeared, though it has grown weaker.

Most importantly, the government's most powerful institution, the legislature, was designed to deliberate, not to rule. Combined with the need for concurring majorities to agree for a law to pass, the Constitution sought to subordinate rule to deliberation, power to reason, and faction to the public good. In short, efficiency, a primary value in instrumental organizations, was subordinated to the democratic process. We can grasp the significance of this by comparing the American system with parliamentary democracies. Parliamentary institutions are organized for action, not deliberation. They are simply the means by which power shifted from king to people organized in competing political parties. Superficially, absolutism simply changed hands. Parliaments evidence their inheritance from the state they have since largely transformed.

#### Democracies are Spontaneous Orders

What Madison and the other Founders were describing was a spontaneous order as Hayek defined it. Sometimes Hayek is misread as arguing that spontaneous orders must arise in a wholly unplanned fashion. This is not true. The principles which generate such orders can be comprehended, and deliberately adopted. It is the specific details of such orders which are spontaneous, not the events that led to their establishment. This is one reason why I often prefer the term "self-organizing system" to spontaneous order.

To generate a spontaneous order, the framework of enabling rules must increase the capacity of unknown people to cooperate in attaining independently chosen goals which cannot be foreseen in advance.

They must make it possible for people successfully to benefit from knowledge possessed by others they do not know but whose knowledge is essential for them to achieve their own ends. Democracies arise out of citizens following the abstract procedural rules of freedom of political speech, association, organization and equality of voting as institutionalized within a particular constitutional framework.

The more abstract the criteria for political membership and procedures for participation, the less those criteria can be linked with any specifiable interests. A pure democracy employs the most abstract criteria of any political system for determining membership. Criteria for democratic citizenship and participation are completely divorced from citizens' substantive views and values. The more a polity's rules for participation ignore concrete interests, the more it can be considered a democracy.

The constitutional procedures by which citizens participate in politics are also abstract. Political leaders and measures are selected by balloting in which every citizen's vote counts equally, and in which procedural and reasonably open criteria determine who runs for office. Civil liberties safeguard an indefinite and unpredictable variety of political opinions and programs. Freedom of speech can be used either to support or attack political leaders and their policies. This is true within both winner-take-all and proportional representative democracies. In all democracies the dominant political group can maintain its position only insofar as it can maintain the active support of a majority of those choosing to participate in a process where few are excluded.

In a democracy all specific policy goals are subordinated to democratic procedures, with the partial exception of wartime. It is only during wartime that democracies can come to resemble instrumental organizations, that is, typical states. Even here, any suspension of democratic procedures such as Britain's suspending elections during WW II, is justified as necessary in order to win the war and *return to democratic procedures*. No general agreement as to the polity's specific goals (beyond survival) need exist. The "goal" of a democracy is democratic politics, and its specific activities are determined by whatever policies arise out of the democratic political process. So long as it does not undermine democratic procedures, *any* policy adopted by a democracy is democratic (See diZerega, 1988, pp. 464-465).

Like those who equate democracies with states, political scientists who lump them with democratic instrumental organizations such as cooperatives, labor unions, and political parties are also making an error in



logical typing. Democratic organizations have specific goals, such as selling products, enhancing wages, and winning elections. (For examples of this error, see, Dahl, 1956 p. 63; Michels, 1961, p. 365. On logical typing see Bateson, 1979, pp. 127-140.) This error is why Robert Michels' "iron law" of oligarchy, so true for most organizations, does not apply to democracies (diZerega, 1991, pp. 349-354).

The central problem confronting a democracy is how coherent public policies may be formulated and pursued within a polity lacking any clearly ordered set of public policy requirements. Like the market and science, democracies face a coordination problem. Political initiatives arise unpredictably, and independently of one another. How might policy coordination take place? A satisfactory answer to this problem in its various aspects must be concerned with understanding how information is disseminated within a polity, and with the types of institutions capable of molding this information into support or opposition to various policies. Exploring this question is mostly beyond the scope of this paper.

Every qualified citizen enjoys a formal equality in procedural political rights. Information can enter the democratic system at any time from any participant. We can not reliably predict what this information will be, how useful it may or may not be, or whether or not it will be accepted by others. Political knowledge is as volatile as knowledge about the market and as difficult to reduce to a single measure as scientific knowledge. Indeed, politically relevant knowledge incorporates knowledge about science the market, and much more as well, potentially including everything relevant to someone within the polity.

Democratic politics is always constituting and reconstituting the community. As with the market and science, it constitutes a never-ending process of discovery (Crick, 1964, p. 147). For this process to work within a nation-state, multiple independent centers of political power and resources must exist. This point has great importance for understanding democracies' peacefulness towards one another.

#### Persuasion, Compromise and Agreement

A common feature of all social spontaneous orders is their reliance upon persuasion and agreement. In their absence such orders could not arise. The rules generating these orders are themselves free from concrete content, and apply equally to all participants. Coordination within a spontaneous order depends on positive and negative feedback enabling voluntarily agreed upon plans to influence one another.

The democratic political process differs from analogous processes in science or the market, but is no less based upon persuasion. Unlike the market or science, in democracies citizens decide issues collectively and at specific times, (although these decisions can always be challenged). In the market agreement is piecemeal and individual. The scientific ideal is unanimous agreement, but there is no need for scientists to arrive there all at once because time is no limitation. Democratic politics is oriented towards action, and operates within more demanding time constraints than science. Science is in no hurry. Democracies sometimes have to be. Unlike science, in democracies the status quo is a policy. Compared to science, the range of views advocated is usually very broad, while criteria for preferring one over another are vague and sometimes contradictory.

The necessity to decide with time constraints while facing strong limits on clarity and definitiveness explains why a physically coercive element must exist in democratic politics but can be absent in science, which has no time constraints on action, and the market, which does not require its participants to make collective judgments (Tussman, 1960, pp. 25-27). Nevertheless, the essence of a democratic polity is to persuade citizens, not compel them (Aristotle, 1958, pp. 4-7; Crick, 1964, pp. 140-61; Pitkin, 1972, pp. 328-32).

### The Question of Coercion

But what of coercion? Certainly democracies, like states, have the power to make laws and enforce them with the threat or reality of violence. Further, democracies have the power to tax. These coercive powers encourage factions in Madison's sense to take advantage of politically weaker citizens, benefiting themselves at others' expense. Market transactions cannot exploit people in this way as they depend upon willing agreement with each exchange.

But this insight, valid as it is, needs to be put in a comparative context for three reasons. First, it unintentionally hides areas where the market is quite coercive. Second, it treats market transactions simply as neutral means for facilitating human exchanges when, like any social institution, the market process actively promotes some values at the expense of others. Third, it reduces democratic politics to nothing more than the clash of factions.

Much can be written on these issues, and I have (diZerega, 1997). Here I will be brief. Regarding the first point, the market depends upon clearly defined property rights. Private property has proven the most productive of property arrangements for human well-being, both materially and as the foundation for individual freedom. But defining particular boundaries requires arbitrary judgments in theory and often violent usurpations in practice.

For example, John Locke's defense of private property depends upon our "mixing" our labor with previously unknown resources. This "mixing" occurs through "use." But "use" is slippery. If I build a home to enjoy the view of unowned wild country, do I therefore own the country I see? Locke thought not. But I would not have built the home without the view. Is viewing using? Building the home so as to have the view seems as much "using" as enclosing land with a fence. If I buy land and let it revert to a wild state to enjoy the view, in what way does my right to ownership differ from my laying claim to unowned country to enjoy the view?

In Norway, unlike here, people have the right to hike across private land. In practice "private property" constitutes a bundle of discrete rights. Bundles differ in different places. Determining the contents of a bundle involves using violence or its threat to enforce decisions which could as easily and rationally been made quite differently.

Historically, communal rights were often forcibly converted into private rights, solely through the threat of violence against communities which had used and managed their commons for generations, whether in pre-enclosure Europe or Native American lands. This historical violence is the root of the left anarchist attack on private property which leaves them so deaf to classical liberal claims about its intrinsic peacefulness. The inadequacy of their alternative should not deny the truth in their claim (Hyde, 1983, pp. 74-92).

Second, the market order biases exchanges in favor of those interested in acquiring money. Personal success in one's own eyes is not the same as success as defined in the systemic terms of the market (diZerega, 1997, pp. 127-129). A person who wants to own a bookstore and so needs to make enough money to do that is at a competitive disadvantage with a corporation which, seeking to make money, does so in the book trade. The former may love books, the latter will not. Increasing replacement of the former kind of ownership by the latter has led to a shift in the defense of private property from emphasizing the character

building and political effects of exercising responsibility and foresight over a small enterprise to consumer satisfaction as evidenced by purchasing decisions. It is a shift from emphasizing the influence of ownership on the owner to the influence of the system on the consumer. This shift reflects the bias of the market order.

Finally, there are values which do not seem adequately attainable within purely financial transactions - and here we enter the realm of the public good. Some goods cannot be parceled out individually, such as clean air and defense. Other values *may* depend upon their not being dependent only upon market transactions for their satisfaction, such as the well being of children, human beings generally, endangered species, basic education or defense when charged in a court of law. Basically, the market works best where all relevant values and costs can be captured in easily tradable property rights. When this is not possible, a case for extra-market action can be made. To the extent these values exist, we enter into the realm of the public good, its determination and protection.

Scientific research of healing herbs is an example. Drug companies are willing to spend enormous sums researching the medical value of various synthetic chemicals. They spend vastly less researching the medical efficacy of traditional herbal remedies. The reason is simple. A new chemical can be patented. Garlic cannot. While private funds can be sufficient to research the medical value of new substances, they will be far less likely to be adequate to research possible similar values of traditional and widely available substances. Costs must be recouped for the market to work, and for them to be recouped access to discoveries must be controlled. Only then will it reliably promote science. In the absence of these conditions other forms of funding are necessary for this work to be done.

If there are worthwhile public values we need some means to attain them. Democratic government is the means most often sought. There is no contradiction in saying we may voluntarily agree on occasion be coerced to do something we otherwise would not do in order to obtain benefits otherwise unattainable, and which we value more than the collateral coercion we may experience. This is the same logic as telling the loser in a dispute over property boundaries that the whole system of private property rights, no matter how initially determined, leaves him or her better off than would its absence. The logic here is the *same* whether applied to settling private property boundary disputes or creating democratic constitutions.

To serve public values we will likely adopt decision rules trading off between pure majoritarianism, which is easily abused by majority factions, and unanimity, which is easily abused by minority factions. Such rules are likely to be abstract, procedural, and apply equally to all. They will guarantee free discussion and access to information. They will value persuasion.

The centrality of political persuasion helps explain why *compromise* is so central to democratic politics. Political issues are often broad and complex, and standards of adequacy are unclear. The democratic coordinating process therefore works through continually balancing and accommodating logically incommensurable interests. Discovering a middle ground with which all can live, is the life blood of democratic politics (Crick, 1964 p. 146).

### Lots of Bad Predictions

Just as empirical research by Rummel and others demonstrates that democracies act differently than states, so the predictions of those who equate democracies with states have proven poor prophecies. In particular, we have the impressively false predictions made by those believing every expansion of governmental power inevitably takes us closer to tyranny. They extrapolate from the gradual rise of ancient and modern despotisms to the pattern that is supposed to arise over time in the modern democratic polity.

The Antifederalists were certain the proposed Constitution would lead to monarchy and despotism. Two hundred years later they're still waiting. When Franklin Roosevelt dramatically expanded governmental programs and spending, his conservative opponents predicted despotism. Today's government dwarfs FDR's, but in important respects most citizens have more rights than existed in FDR's time. For example, it took national legislation to end the political and economic exploitation of Black Americans in the South. Southern governments often deliberately failed to protect Black citizens against violence, their education was substandard, and freedom of speech was risky at best. It is only in recent years that Native Americans have been free to practice their traditional religions. Expansion of the Bill of Rights in the '50s and '60s led to greater freedom of speech and association than had been the case before. The accused received greater protection against governmental abuses. These expansions of freedom are not trivial. It is far from obvious that today's greater taxes and economic regulation outweigh them.

Indeed, if we look at European democratic welfare states such as Germany, the Netherlands, and Sweden, we find an incredible paradox by orthodox classical liberal standards. These governments dispose of over 50% of their national GNP. This is far in excess of that controlled by traditional despotisms throughout most of history. Yet by many measures their citizens are vastly freer than in those despotisms, nor is this greater freedom simply in material terms. They also enjoy greater freedom of speech, travel, association, belief, and the like. None of this could be predicted from the traditional state model, for states are supposed continually to centralize into despotism.

Reality gets even more paradoxical. While the role of government has not shrunk, Great Britain's creation of national parliaments for Scotland and Wales, Spain's ceding a degree of autonomy to some provinces, and similar activities in Canada, suggests some democracies are actually *devolving* peacefully! No one using a state model would have predicted this development.

This misunderstanding of democracy is deeply hurtful to our society. It leads to sentiments such as House Majority Leader Dick Armey's claim that "Behind our New Deals and New Frontiers and Great Societies . . . you will find, *with a difference only in power and nerve*, the same sort of person who gave the world its Five Year Plans and Great Leaps Forward - the Soviet and Chinese counterparts" (quoted in Dionne, 1996, p. 286. Dionne's emphasis). One need not admire FDR, JFK, or LBJ, and I do not, to see the inappropriateness of such thinking. Most worrisome, by equating all advocates of positive government in this way, Armey's argument undermines the very basis of democratic government: the idea of the loyal opposition. We cannot truly be loyal to a government if it is controlled by potential Stalins, Hitlers, and Maos dissuaded from mass murder only by their cowardice and lack of opportunity.

#### Big Government Liberals Make the Same Kind of Error

In this article I am emphasizing the shortcomings of libertarian and classical liberal associations of democracy with the state. But big government liberals make equally serious errors of their own due to similar misconceptions. I have discussed their problems extensively. See particularly my critique of Robert Dahl (1988) and analysis of the role of elites within democratic polities (1991). Both articles discomfit liberal

orthodoxy as much as this paper hopefully challenges libertarian and classical liberal orthodoxy. *Neither side of the contemporary liberal civil war deeply understands liberal democracy.*

In emphasizing these points I am *not* endorsing the liberal welfare state as the ideal society. I do not think it is. I am not arguing that government bureaucracies epitomize the wisest form of public policy. Often they aren't. I am enormously sympathetic to much of the libertarian critique of government as inept and stifling of social adaptation and individual creativity . But I am not as sympathetic as I used to be, largely because essential elements of that critique rest on a deep misdiagnosis of democratic government.

Modern big government liberals frequently error in believing government is a neutral tool able to correct what they see as failures in the market order, and lacking biases of its own. Market liberals make the same mistake in reverse. They generally argue that the market is a neutral tool for facilitating human cooperation, and that those who seek government action simply are trying to win by means of force what they were unable to acquire through voluntary means. But the market order is not a neutral tool for facilitating cooperation. There are no neutral tools, and good values do not all adhere to one or the other.

The purpose of this paper is not to dissolve market liberalism into big government liberalism, but rather to improve the clarity of its analysis. This requires comprehending how all the major liberal institutions are spontaneous orders in Hayek's sense. Institutionally, liberalism is a coherent innovation in human society, even if it's theoretical analyses has broken into a myriad of conflicting schools and approaches.

The democratic polity is oriented around self-governance by the political community. It is systemically different from states whereby some portion of the community uses the political means to dominate everyone else. The democratic polity is also the means by which citizens try and decide what, if anything, should be done for the community as a whole. The democratic process enables values not easily served by the market to be discussed, evaluated, and if accepted, adopted into law. It constitutes political rather than individual self-governance. Of course it can be misused. So can any other institution.

I am not arguing that the current democratic polity is the best means by which democratic self-governance can be accomplished. But saying there is room, even lots of room, for improvement is quite

different from questioning the legitimacy of the process itself. (For some ideas on improvement in a libertarian direction, see diZerega, 1998.)

The market, too, does not guarantee ideal solutions. It only provides an environment whereby consumer needs and wants are more likely to be fulfilled than would be possible by any other institution. I have never heard anyone say that IBM makes a better small computer than Apple or that Microsoft products are consistently better than their competitors. These companies' present triumph is due more to wise marketing decisions than technical excellence. For example, if Apple had been more far sighted, they would probably dominate the PC market today, and we wouldn't have to worry about YK2. Every means for ordering human cooperation brings with it its own set of biases and blinkers. With the gains associated with each come necessary costs (diZerega, 1997).

With our deeper understanding of liberal democracy, we can now return to the debate between Rummel and Carpenter.

#### Democracy and Peace

When France withdrew from NATO, according to Ole Holsti and John Sullivan, in the '60s in both the United States and France, "multiple internal and external channels of communication, relative freedom of divergent interests to make political demands, and a limited ability of top leaders to mobilize all politically relevant groups and institutions in support of their policies" prevented the rupture from seriously undermining a wide variety of US - French relations (Holsti and Sullivan, 1969, p. 158). Zbigniew Brzezinski and Samuel Huntington observed of the US - French crisis that "The openness of the debate tended to inhibit sudden unilateral moves by either Washington or Paris, with their exacerbating effect." Indeed, when American and French executives *did* act unilaterally, the impact of their actions "had precisely that negative effect in the dispute" (Brzezinski and Huntington, 1963, p. 406).

French and American elites maintained many independent channels of communication and influence through their joint involvement in international and national organizations. "The structure of the Western international system requires reliance on many multilateral bodies with special common interests. These provide additional arenas for the articulation of one's point of view without precipitating a head - on



confrontation" (p. 406). In both countries different elites, through mutual involvement with other common interests that brought them together, helped to isolate the dispute. Because these people had significant political influence in their own nations, their outlook influenced how the two governments interacted. It is the venerable pluralist point about cross cutting cleavages applied internationally.

Internal political factors encouraging compromising and isolating conflicts are much weaker in undemocratic states. Such states lack the internal safeguards which assist in maintaining international peace. Institutions enabling leaders to maintain control by restricting or eliminating independent initiatives also restrict independent efforts towards defusing potential conflict. Channels of communication, both internal and external, are fewer and more subject to executive domination. Independent political initiatives, demands, and criticisms are strongly circumscribed. Borders are much less porous. Leaders' power to mobilize resources in pursuit of their aims is greater, as is the importance of political conformity. All these characteristics arise from their being instrumental organizations.

Undemocratic states depend more than democratic orders on the qualities of their leadership to maintain the peace. Since any international dispute can be perceived as a challenge to the leadership, this is a very risky safeguard. Leaders, democratic and undemocratic alike, do not like to back down or lose face.

#### The International Environment

*The self-organizing features characterizing internal democratic politics carry over into their external relations.* Therefore, in the international arena democracies will act significantly differently from undemocratic states. We would expect to find a readiness to compromise and a difficulty in pursuing unified plans on the part of democratic governments. If compromise is unfeasible, they will tend to isolate their differences, so as not to allow these issues to poison the overall pattern of mutual involvement. System boundaries will be porous, partially including the interests of the other polity. This pattern of response will be different from that prevailing in states comprehensible as instrumental organizations, as is shown by Zeev Moaz and Bruce Russett (1993).

To the extent that the international environment consists of relationships among democracies it can not be analyzed in Hobbesian terms, which assume states to be rational actors. This is the fundamental error made

by so-called “realists” such as Carpenter. A self-organizing system does not pursue an ordered hierarchy of ends. Relationships between democratic polities are significantly influenced by the same self-organizing dynamics as occur within them. Therefore, democracies do not have much pressure to act *as if* they were rational actors - as they have to do in the presence of powerful undemocratic states. Normally citizens do not define their interests solely, or even mostly, in terms of the "national interest." Political leaders may think of the polity as a unitary organization or machine to be used to achieve their aims. Citizens usually do not. Rather, often citizens' conscious interests will spill across borders including people and organizations in other polities.

Because these systemic boundaries are so porous, spontaneous orders transform their societies both internally and externally. The most visible example of internal transformation is Germany, where deep cultural and political differences rooted in 40 years of separation, one totalitarian, the other democratic, now separate the former East Germany from what used to be West Germany. One culture was transformed by democracy. The other, sadly, wasn't. The greater prevalence of neo-Nazis in the East is an indication of this distinction.

Less immediately visible, democratic processes trigger transformations that reduce the likelihood of two democratic polities ever going to war with one another. Over time the rigidity of boundaries between as well as within political systems begins to dissolve, sometimes to the point that portions of formal political sovereignty itself are freely given up, as is occurring today in Western Europe. This process also accounts for the finding that democracies are more predisposed towards ventures in international cooperation than are undemocratic states (Haas, 1965).

The more complex and extensive citizens' dealings with people in other democracies become, the more systemically peaceful tendencies are strengthened. Accordingly, among democracies close economic, cultural, social, and scientific ties *increasingly* strengthen the bonds maintaining international peace. These consequences are not so assured among instrumentally organized states because economic, social, scientific, and cultural connections are subordinated to the leadership's policy goals, which may or may not be peaceful.

Democratic polities' predilection to seek to compromise away conflicts, or to isolate them, is arguably a mixed blessing in dealing with strong, aggressive, undemocratic states. The Rhineland capitulation and Yalta

agreements are famous examples of democratic wishful thinking, but hardly the only ones. On the other hand, these same predilections will be all the more valuable in dealing with non-aggressive governments.

While democracies are not always peaceful, when *both* potential antagonists are democratic, the systemically generated impetus for peace has so far been powerful enough to prevent conflict. This does not mean war between two democracies is impossible. Human folly, greed, vanity, and stupidity do not allow this happy forecast. But such a war would be very unlikely. Further, the more democracies, and the longer they interact, the more peaceful the international environment will become.

Hypothetically, should war break out between two democratic polities, it would probably be when one or both belligerents are newly democratic with relatively little blurring of borders between themselves and their antagonists and little internal democratization of the sort described above. Carpenter's description of Rummel's similar observation as "vacuous" is simply silly (1998b, p. 109). No one is saying that becoming democratic is like a child's idea of a magical spell, where uttering the name of power leads to instantaneous change. Understanding that democracies are spontaneous orders enables us to see exactly what it is about them that promotes and perpetuates peace.

Moreover, in such a hypothetical war the international factors making for peace would keep other democracies neutral and offering to mediate, thereby isolating or ultimately compromising the conflict. Indeed, reliance on mediation is already a common pattern in disputes between democratic powers (Russett, 1993, 41; Dixon, 1993). In short, the democratic international system can probably function peacefully because it possesses a goodly and increasing measure of the same self-organizing dynamics that exist internally within democratic polities.

Recognizing that their self-organizing character explains democracies' mutual peace helps us evaluate Carpenter's favorite example of "democracies" making war on one another: the Boer War. While by this time England had become fully democratic for most purposes - including my own - Carpenter's description of the South African Republic as "democratic" staggers the imagination. Suffrage was restricted to White males, about 10% of the population, and further reduced by a property qualification and onerous residency requirements. In this "democracy" about 5% of the population could vote (Russett, 1993, p. 17). More to the

point, the Boer republics were organized to perpetuate domination by a specific class of people over others. They served a distinct hierarchy of ends.

The ante-bellum American South often had similar characteristics. Democratic institutions coexisted uneasily with slavery. For example, in many cases distributing abolitionist literature could be punished by death because some Southern states considered slavery more important than democracy. Alexander Stephens, the Confederate vice-president, emphasized that

Our new government is founded upon exactly the opposite idea [from Jefferson's view that all men are created equal]; its corner-stone rests upon the great truth, that the negro is not equal to the white man; that slavery - subordination to the superior race - is his natural and normal condition.

This, our new government, is the first, in the history of the world, based upon this great physical, philosophical, and moral truth (West, 1997, p. 34).

To say the ante-bellum South and the Boer republics had significant democratic elements is true, but to say that they were democracies is fanciful.

### The Executive and War

Carpenter offered a final significant criticism of Rummel's argument: that during the Cold War the US government intervened to overthrow elected governments in other countries of the world. He is right. It did. But what does this mean?

The executive power is that democratic institution standing in greatest tension with democracy's self-organizing structural characteristics. This is due to the executive's tendency to try and organize government and society to serve its interests. Were it to succeed, democracy would be replaced by a hierarchy. It would be as if a giant corporation succeeded in "organizing" the market.

Even if popular checks and controls on a powerful executive are strong, (and especially if they are not) a problem exists relevant to our discussion of peace and war. It is in international politics that institutionalized checks on executive power are necessarily weakest. In times of serious war, a democracy does need to be able to act like a state. Additionally, the general sense that citizens need to stand together in the international

arena helps create a relatively uncritical trust and support for the executive. It is in the chief executive's political advantage to be in office during times of international crisis, so long as s/he can appear to be "in charge".

In his analysis of American foreign policy Stephen D. Krasner observed that "Central decision-makers have been able to carry out their own policies over the opposition of private corporations [and other societal interests] *providing that policy implementation only required resources that were under the control of the executive branch*" (pp. 18, 89, my emphasis) . Those areas of American foreign policy which fit the italicized portion of Krasner's quote are relatively free from democratic self-organizing pressures. This is particularly the case with regard to American relations with small or unstable countries who are vulnerable to covert or small scale overt military pressure. It is here, where over the short term the executive's military and economic resources enable it to act relatively independently, that democracies most resemble states.

It is only in this area of foreign policy that we find cases of violent intervention by the US government into small quasi-democratic states, often with results fatal to their already weak democratic institutions (Forsythe, 1992; Krasner, 1978). In 1954 under President Eisenhower's authority, the US was involved in the violent overthrow of the constitutionally elected Guatemalan government, leading to years of dictatorship and civil war. President Johnson ordered the invasion of the Dominican Republic in 1965 to prevent an elected President from taking office. In the early 1970s President Nixon encouraged the overthrow of the Allende government in Chile. These actions were not isolated, for executive inspired military actions also took place in Iran, Cuba, Vietnam, Cambodia, and more recently in Grenada, Nicaragua, Iraq, Somalia, Bosnia, Haiti and Iraq. What distinguishes the Guatemalan, Dominican, and Chilean interventions, and perhaps the one in Iran, was their contempt for democratic institutions and practices *both* at home and abroad.

Looked at closely, what Carpenter argues are rebuttals to Rummel's argument about democracies' peaceful relations with one another *support* my reasons for why democracies do not war with one another. The structural features of American government *farthest* removed from the basic self-organizing characteristics of democratic government are those most responsible for its belligerent behavior (Forsythe, p. 393). *It is not democracy as such which creates peace, it is the systemic relationships within and between democracies generated by their self-organizing political processes which are conducive to lasting peace.*

They replace a Hobbesian world of hostile states with one that is interdependent and cooperative. When these processes are weak, absent, or stifled, the record of democratic governments is not that much better than undemocratic governments.

These interventions against democratic or quasi-democratic governments might have happened had US presidents been required to get specific congressional approval for their military adventures. But the internal and external systemic factors that would have then come into play would have decreased their likelihood. That many actions were secret, and the public and Congress deliberately misled, suggests these Presidents anticipated effective domestic opposition to their plans. President Reagan's difficulty in obtaining support for his destabilization campaign against Nicaragua and more recent debates over Somalia, Bosnia, and Haiti are examples of the sort of barriers against precipitate action which democratic polities generate. Certainly the actions of Presidents Eisenhower, Johnson, Nixon, Reagan, and Bush suggest that American executives have little compunction against deceiving elected representatives and using aggressive force when they believe it in their interest to do so. Only the small size of their discretionary budgets limits the nature of their belligerence.

### Conclusion

Implications in the differences between Carpenter and Rummel extend well beyond the question of democratic peacefulness, important as that is. If Rummel is right - and I think he clearly is - the classical liberal and libertarian critique of the state will not apply to democracies without revision. What requires clarification is not the consequences of the growth of state power through an activist government, but rather, the systemic biases in both the market and democratic self-governance, and how each kind of spontaneous order might be improved in its capacity reliably to serve those values it can best address.

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