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# The Complex Relationship between Democracy and Freedom

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The Cold War era, from the 1950s through the 1980s, saw a global ideological divide between the capitalist democracies of the Western bloc countries and the centrally planned dictatorships in the Eastern bloc. That ideological divide, both political and economic in nature, associated—especially in the West—democracy with freedom and dictatorship with oppression. Paul Samuelson, in his best-selling introductory economics textbook, characterized the Soviet political and economic system as “suppression of democratic and personal freedom, and collectivist decision [*sic*] to cut down ruthlessly on current consumption in order to enlarge capital formation and development” (1973, 883). Samuelson was well within mainstream Western thinking to describe the Soviet dictatorship as suppressing freedom. Although the Cold War ideological divide had both political and economic dimensions, the political divide clearly associated democracy with freedom.<sup>1</sup> This paper discusses the degree to which democracy creates and preserves freedom.

After the collapse of the Berlin Wall in 1989 and then the breakup of the Soviet Union in 1991, Francis Fukuyama (1992) declared the Cold War victory of the capitalist democracies as the end of history in the sense that the market economy was the

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1. Milton Friedman (1962) clearly associates capitalism with political freedom, as do Friedrich Hayek (1944) and Ayn Rand (1957, 1966). An interesting but separate question is the degree to which political freedom requires free markets.

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final stage in the evolution of economic systems and democratic government was the final stage in the evolution of political systems. However, I suggest elsewhere (Holcombe 2018) that there is an inherent tension between capitalism and democracy because people might vote away the market institutions that support capitalism, or more insidiously, as Mancur Olson (1982) suggests, economic interest groups can become increasingly entrenched in the political system, leading democratic governments toward a cronyism that can undermine capitalism, resulting in what Olson describes as the “decline of nations.”

Popular support for socialism in democratic countries in the twenty-first century calls into question the degree to which capitalism and democracy are compatible and, if capitalism is a prerequisite for freedom, as Friedrich Hayek (1944) and Milton Friedman (1962) suggest, whether democracy ultimately supports freedom. The twenty-first-century proponents of socialism advocate a democratic socialism, but if Hayek and Friedman are correct, socialism is incompatible with democratic government.

Freedom means that individuals are able to make their own choices absent coercion from others. One way to distinguish voluntary from coerced action is that people engage in voluntary action because they perceive a benefit from doing so, whereas their actions are coerced when they act to avoid having a cost imposed on them. In a free society, people are secure in their persons and property, and interactions with others are voluntary. Market exchange is the economic embodiment of freedom because people transact with each other only when all parties are mutually agreeable to the exchange. This is the relationship that Friedman (1962) sees between capitalism and freedom.

The complex relationship between democracy and freedom emanates from the different ways in which people understand democracy. If democracy is simply taken to mean majority-rule voting, it should be obvious that people might vote away their freedom. If democracy is understood to be a form of government that is accountable to its citizens, democracy can prevent government from violating individual rights and thus can protect and preserve freedom. People view democracy in both of these ways, and the same individual may view democracy in different ways that have conflicting implications for freedom. To better understand the complex relationship between democracy and freedom, this paper analyzes democracy from two different perspectives: as a mechanism for making collective decisions and as an ideology. Further complexities lurk even within these two different perspectives.

## **Democracy as a Mechanism for Collective Decision Making**

James Buchanan and Gordon Tullock depict democracy as a mechanism for making collective decisions. They say, “Collective action is viewed as the action of individuals when they choose to accomplish purposes collectively rather than individually, and the government is seen as nothing more than the set of processes, the machine, which allows such collective action to take place” (1962, 13). They use agreement as a benchmark to

judge whether collective action is in the best interest of members of a group, recognizing that individuals cannot expect that every individual collective action will benefit every single individual but rather that in the aggregate people are better off with collective action undertaken by government than without it.

Buchanan (1962) gives as an example a system of traffic lights to regulate the flow of traffic. In some cases, an individual may come to a red light and have to stop even though there is no other traffic at the intersection. The individual is worse off for having to stop, and nobody is better off because there is no conflicting traffic, so in this specific instance social welfare is reduced. But, overall, drivers are better off with the system of traffic lights than without that system even if in specific cases the system imposes some costs in excess of its benefits. In the aggregate, everybody benefits from an orderly flow of traffic. The example extends to collective decision making more generally. Ideally, democracy produces a set of institutions that improves the welfare of everyone.

Democracy does not always work this way, though. John Stuart Mill refers to a “tyranny of the majority” in which “society is itself the tyrant—society collectively, over the separate individuals who compose it” ([1859] 1913, 8), which suggests the possibility that democracy and freedom can be at odds with each other. People do benefit from collective action to produce goods that are collectively consumed, such as roads, municipal water supplies, wastewater treatment, and more. The challenge is to design a system of collective decision making that enables people to cooperate to produce those goods without enabling some people to use that same system to benefit themselves at the expense of others. Daron Acemoglu and James Robinson (2019) describe such a system as a narrow corridor between a government so weak that it fails to protect people’s rights and a Leviathan government that abuses its power to violate people’s rights. Similarly, Buchanan (1975) describes the limits of liberty as lying between anarchy and Leviathan. Is democracy a system of government that can locate that narrow corridor between anarchy and Leviathan? Does democracy enhance or compromise freedom? One way to address this question is to analyze democracy as a collective decision-making mechanism—a mechanism for making social choices.

## Making Social Choices

Democratic decision making is more than just majority-rule voting. Democratic institutions vary substantially from one government to another, and as Torsten Persson and Guido Tabellini (2000) note, those variations can make nontrivial differences in the scope and nature of government activity. Differences among democratic governing institutions include presidential versus parliamentary systems of government and plurality versus proportional voting mechanisms, but many smaller nuances also differentiate various democratic governments. These nuances are important, but an analysis of democratic decision making can begin by looking at simpler models of majority-rule voting.

The median-voter model, developed by Howard Bowen (1943), Anthony Downs (1957), and Duncan Black (1958), looks at various types of democratic institutions of voting and concludes that when voter preferences can be ranked on a single-dimensioned continuum, the median voter's preference will be the group's preference as revealed by majority-rule voting. Looked at in this way, majority-rule voting is a system of preference aggregation. The group wants to make a collective decision, and if the model is descriptive, aggregating the individual preferences of group members through majority-rule voting means that the collective choice will be what the median voter prefers.

The model is likely to be descriptive in many but not all situations (as explained in Holcombe 2016). Kenneth Arrow (1951) opens his discussion of social choice with an example showing that under some circumstances there will be no equilibrium outcome under majority-rule voting, and R. D. McKelvey (1976) concludes that Arrow's result will tend to characterize any majority-rule decision in which preferences can vary over multiple dimensions.<sup>2</sup> In these models, there is no relationship between voter preferences and the outcome ultimately selected by majority-rule voting.

If a group has very homogeneous preferences, then it will not matter much what type of collective decision-making mechanism is used. Everybody wants about the same thing, so almost any collective decision-making mechanism will produce what the people in the group want. When preferences differ among group members, though, democratic decision making tends to break down, as Arrow and McKelvey describe, and results may not reflect the group members' preferences. Democracy works worst when an effective collective decision-making mechanism is needed the most. This, along with the possibility of the tyranny of the majority, suggests that to preserve freedom the role of democratic decision making must be limited if it is intended to be a mechanism for revealing the preferences of a group.

Ultimately, groups have no preferences, and groups make no choices. Individuals have preferences, and individuals make choices, so any reference to group preferences must be a shorthand reference to the preferences of the individuals in the group, and any reference to group choices must be a reference to an outcome of a mechanism that aggregates the preferences of the individuals in the group. As Arrow and McKelvey demonstrate, in general there is no mechanism that can identify some unique "group preference" that can be identified by aggregating votes.

Models of collective decision making point toward a tension between democracy and freedom. At best, these models suggest that democracies choose policies that are preferred by the typical voter, and at worst they suggest that when preferences are heterogeneous, democratic outcomes are arbitrary. In either case, if democracy is viewed as a mechanism for making collective choices, there is no reason to think that

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2. There are reasons to question McKelvey's conclusion, as Tullock (1981) notes, but this debate is at best peripherally relevant to the current topic.

democracy will preserve freedom, and under pure majority rule the tyranny of democracy always threatens the exploitation of a minority by a majority.

If freedom means that people are able to make their own choices rather than have others choose for them, democracy is the antithesis of freedom. Rather than allowing individuals to make their own choices, a democracy subjects people to the collective choices imposed on them by the group.<sup>3</sup> As Joseph Schumpeter (1947) notes, people can vote away their freedom. Even if they are better off or prefer collective choice to individual choice, they are still less free. Democracy, viewed as a collective-choice mechanism, does not preserve freedom.

### Logical versus Nonlogical Actions

Vilfredo Pareto distinguishes logical from nonlogical action, saying that the former “are actions that use means appropriate to ends and which logically link means with ends. There are other actions in which those traits are missing” (1935, 77). These “other actions” are what Pareto calls nonlogical, which he emphasizes are not illogical actions but rather actions that have no effect on an outcome. Voting is an example of a nonlogical action in that when the number of voters is large, any one individual’s vote will have no effect on the outcome of an election. In a U.S. presidential election, for example, no one vote will determine the election outcome, so regardless of how any one individual votes, the election outcome will be unaffected.

Downs (1957) observes that because individuals realize at some level that their votes will not be decisive, voters tend to be rationally ignorant. It does not pay for them to collect information about different candidates and issues because the election outcome will be the same regardless of how the individual votes.<sup>4</sup> Building on this idea, Geoffrey Brennan and Loren Lomasky (1993) distinguish between instrumental voting, which occurs when a voter votes as if that vote will be decisive, and expressive voting, in which the voter knows that one vote will not be decisive and so casts a vote as an expressive act.

Even realizing that they will not cast a decisive vote, people still choose to vote because they want to participate for patriotic or other reasons. Knowing that one vote will not be decisive, voters have no incentive to cast their vote as if it will be. A voter might vote for a candidate because all the voter’s friends support the candidate and thus to get a feeling of group solidarity, or she might vote against a candidate favored by someone she dislikes. A voter might vote for a candidate who campaigns to help the

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3. According to a division of government activities made by Buchanan (1975), the protective state acts to preserve liberty, whereas the productive state reduces liberty, even when it produces goods that people value, because it substitutes collective choice for individual choice. Regarding democracy, it would be apparent that the dictator who dictates policies compromises citizens’ freedom, whereas democracy gives the illusion that citizens are free to choose their own policies.

4. Some individuals will be informed because they are interested, just as some sports fans are very informed about the sports they follow even though the information they collect has no effect on the outcome.

poor—not because the voter personally wants to help the poor but because he simply wants to feel good about casting a charitable vote, as Tullock (1971) notes. It costs nothing to cast a charitable vote, whereas money given to charity is money the giver cannot spend. Voters may choose to vote for options they would not choose if the choice were theirs alone because they vote expressively rather than instrumentally, and they realize that the outcome of the election will be the same regardless of how they vote. Using Pareto’s terminology, people act differently when engaging in nonlogical actions than when engaged in logical actions.

The problem may be even more extreme than that. Voters tend to hold irrational beliefs, Bryan Caplan (2007) argues, and vote for public policies based on those irrational beliefs because they bear no cost for doing so. If people make irrational choices in their market decisions—say, by buying an automobile that is not well suited to the type of driving they do—they end up bearing the cost of making a poor choice. But because one vote does not determine an election outcome, voters bear no costs from making irrational choices while voting. They do not get negative feedback from their nonlogical choices, so vote based on whatever irrational biases they have. Caplan argues that people tend to have antimarket biases, antforeign biases, make-work biases, and pessimistic biases. They vote on these biases because it costs them nothing to do so, and they have no incentive to correct them because their single vote will not affect the election outcome. So, as the subtitle of Caplan’s book *The Myth of the Rational Voter* (2007) says, “democracies choose bad policies.”

The previous section discussed an academic literature that shows that when voters vote instrumentally, democratic decision making does not protect freedom. This section presents conclusions from an academic literature that argues that people do not vote instrumentally. They vote expressively and often irrationally because their one vote will have no effect on an election outcome except when the number of voters is very small. When voting is evaluated as a method for aggregating individual preferences to make collective decisions, democracy is, if anything, an impediment to freedom because it takes away individual freedom by subjecting individuals to the collective decisions made by the group.

## Politics and Democracy

Democracy is more than just aggregating votes to make collective decisions, though. Democratic governments elect representatives who collectively design public policies that are imposed on those they represent. Elections are a part of democratic government, but public policies are created by legislatures and implemented by bureaucratic departments and agencies. Even if elections do provide an accurate representation of citizen preferences—and the previous sections cast doubt on this claim—for many reasons there is often not a close correspondence between electoral outcomes and the

public policies put in place by democratic governments. A substantial academic literature supports this conclusion.

One factor, Buchanan (1954) notes, is that voters do not express preferences for actual public policies but at best for a “market basket” of policies offered by political candidates. Candidates and parties support some policies that individual voters will favor but almost inevitably some that they do not, so candidate preference amounts to weighing the benefits of the policies a voter likes in a candidate’s platform against the costs of policies the voter does not like in that same platform. Candidates typically do not have clearly articulated policies on many issues, anyway,<sup>5</sup> and once elected they do not have to follow through on their campaign platforms.<sup>6</sup>

Meanwhile, because voters tend to be rationally ignorant, as Downs (1957) notes, public policies tend to favor concentrated and well-informed special interests rather than the rationally ignorant general public, as Olson (1965) explains. This favoritism leads to the rent-seeking activities described by Tullock (1967), Anne Krueger (1974), and an extensive literature following up on their ideas. Government tends to favor special interests over the general public because the general public does not have a detailed understanding of government processes. George Stigler (1971) observes that regulatory agencies tend to favor those they regulate rather than those whom regulations are designed to protect, and, as William Niskanen (1971) notes, bureaucracies tend to have inefficiently large budgets. Democratic institutions tend toward cronyism (Holcombe 2018) as the economic and political elite conspire for their mutual benefit, ultimately leading to what Olson (1982) describes as the “decline of nations.”

One line of reasoning, discussed by Helene Landemore (2017), is that deliberative democracy is a way of identifying desirable outcomes when people’s preferences differ. Perhaps negotiation can reach a desirable consensus when simple voting cannot, but transaction costs present a big hurdle here. They prevent large numbers of people from having meaningful input into the process, which in turn leads to rational ignorance on the part of potential participants. Rational ignorance is the consequence, not the cause, of the fact that most people have no influence on the political process. Realistically, only an elite few are actually able to deliberate in a deliberative democracy because transaction costs are too high to include the masses in any deliberations.

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5. Much could be written on this phenomenon, but one observation is that candidates typically campaign on what they dislike about the status quo rather than on specific policies they favor to improve things. This is a good campaign strategy because many voters will agree that the status quo can be improved but may differ on policies that can create improvement. So campaigning on shortcomings in the status quo will gain more supporters than campaigning on specific policies to improve things. Stripped of fancy rhetoric, political platforms primarily say that things in society are not as good as they could be and that, if elected, this candidate will make things better, but without offering much in the way of specifics about what is wrong with the status quo or what could make it better. Consider the campaign slogan of Ronald Reagan, “It is morning in America,” or of Barack Obama, “Hope and change,” or of Donald Trump, “Make American great again.” What is the policy content of these slogans?

6. This does not necessarily imply reversing positions on issues but rather not working very hard to follow through on campaign proposals, perhaps to work harder to accomplish other things not mentioned in the campaign.

The general public is well aware of the tendencies of democratic government to favor well-connected interests, even to the extent of corruption. Joseph Stiglitz says, “It’s one thing to win a ‘fair’ game. It’s quite another to be able to write the rules of the game—and to write them in ways that enhance one’s chance of winning. And it’s even worse if you can choose your own referees” (2012, 59). Although many people embrace democracy as a political ideal, there is also the general recognition that as democratic governments actually operate, they tend to favor elites over the masses, as C. Wright Mills (1956) explains, compromising rather than enhancing the freedom of most citizens. If we set aside romantic notions of democracy, the political institutions within which democracies design and implement public policy are often an impediment to freedom.

## The Design of American Democracy

Twenty-first-century Americans think of their government as a democracy to the extent that to be critical of democracy seems anti-American. Yet an examination of the Constitution of the United States shows that the American Founders designed a government that was deliberately insulated from public opinion. The Declaration of Independence declares liberty to be an unalienable right, demonstrating the Founders’ commitment to freedom, but it says nothing about democracy. The Declaration of Independence also shows that the Founders viewed government as the biggest threat to freedom. Most of the document is a list of grievances against the king of England, including various ways that he compromised their freedom and their rights.

The Constitution of the United States was written to design a government that would preserve freedom and guarantee citizens individual rights by giving the federal government only those limited powers explicitly enumerated in the Constitution. All others would be reserved to the states or to the people. The Founders did not design the new American government to be a democracy in the sense of a government that carried out the will of the people. The government was given a set of limited and enumerated powers. The role of democracy was deliberately limited by the American Founders to prevent democracy from compromising freedom (Holcombe 2019).

Members of the House of Representatives were the only federal officials to be directly elected by the people. Originally, senators were chosen by their state legislatures to represent the interests of the state governments. That was changed with the passage of the Seventeenth Amendment in 1913, which mandates direct election of senators. The judicial branch has always been appointed, not elected, and as the position of the president was originally designed, that person was to be chosen by an electoral college and the House of Representatives.

The Constitution has never given citizens a right to vote for president. It has always been up to the states to determine how their presidential electors were chosen. The Founders envisioned that in most cases no candidate would receive votes from a

majority of electors, in which case the House of Representatives would choose the president from the top five (changed to the top three by the Twelfth Amendment) electoral vote recipients. Although the system never worked as the Founders intended, their intention was to have electors forward a slate of candidates to the House of Representatives and then have the House choose the president from that slate.

The design of the federal government in the Constitution was deliberately intended to insulate those who held the power of government from direct accountability to citizens. Only members of the House of Representatives were directly accountable to the voters in order to insulate most of government from democratic pressures. The limited application of democracy coupled with the limited and enumerated powers given to the federal government in the Constitution show that the American Founders, intent on preserving liberty, deliberately designed a government that was minimally democratic. The Founders recognized the potential for democracy to compromise freedom and so designed a government with this tension between democracy and freedom in mind.

## Democracy as Ideology

The preceding discussion shows that democracy, evaluated as a mechanism for making collective decisions, not only is not well suited to preserving and advancing freedom but also often tends to compromise freedom. At the very least, decisions that are made collectively compromise the freedom of individuals to make their own choices. However, the ideological impact of democracy on freedom is likely larger than its impact on freedom in its role as a collective decision-making mechanism. Democracy as an ideology cuts two ways regarding freedom. It is often used as a justification for compromising freedom based on the idea that democratic governments carry out the will of its citizens. A different ideological vision of democracy is that government should be responsive to the interests of its citizens and that democratic institutions give citizens the right to replace their governments when the latter are not responsive, as the American colonists did with their declaration of independence. The first ideological vision of democracy compromises freedom; the second ideological vision of democracy has the potential to enhance freedom.

Democracy as an ideology affects freedom through the way that people perceive of democratic government. If they perceive of democracy as a method for identifying and carrying out the preferences of a government's citizens, it has the potential to be detrimental to freedom. If they perceive of democracy as a form of government that serves the interests of its citizens (rather than one in which citizens comply with the demands of their governments), the ideology of democracy has the potential to enhance freedom. On the surface, these two different ideological visions of democracy are similar enough that it may be difficult to differentiate them. But they are different enough in their details that they have opposite implications for freedom.

## Democratic Institutions and the General Will

Jean-Jacques Rousseau gives a clear explanation of the view that the democratic decision-making process reveals the will of the people. He says,

The citizen gives his consent to all the laws, including those which are passed in spite of his opposition, and even those which punish him when he dares break any of them. . . . When in the popular assembly a law is proposed, what the people is asked is not exactly whether it approves or rejects the proposal, but whether it is in conformity with the general will, which is their will. When therefore the opinion that is contrary to my own prevails, this proves neither more nor less that that I was mistaken, and what I thought to be the general will was not so. ([1762] 1973, book IV, chap. 1, no. 2)<sup>7</sup>

This view of democracy legitimizes the decisions of democratic governments by asserting that the outcome of a democratic decision-making process conforms with the will of the people.

Rousseau's vision of democracy has been reinforced in the twentieth and into the twenty-first century in the ideology of Progressive Democracy.<sup>8</sup> For the first century of the country's existence, citizens of the United States perceived their government as founded on an ideology of liberty, which viewed the role of government as protecting individual rights, along the line of reasoning followed by John Locke ([1690 [1960]]), which is discussed further in the next section. Toward the end of the nineteenth century and into the twentieth, the ideology of progressivism began displacing the ideology of liberty. The Progressive ideology incorporated an expanded vision of the role of government: government's role was not only to protect individual rights but also to look out for people's economic well-being.

Progressivism began largely as a reaction against increasingly concentrated economic power. As the nation industrialized, industrialists and financiers such as Rockefeller, Vanderbilt, Carnegie, and Morgan amassed wealth more rapidly than anyone before in human history, and many believed that they were using their economic power to take advantage of those who had less economic power. Progressive policies included regulation—especially of the railroads—antitrust laws, and even court decisions (Anderson and Hill 1980) to look out for the economic well-being of those who had little economic power.

Progressivism was from its beginning redistributive in nature. It justified imposing costs on some for the benefit of others. In its earliest days, the costs of Progressive

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7. Although this is a translation from the original French, note that Rousseau uses *people* as a singular term, further reinforcing the idea that there is a general will that transcends the individual wills of those who compose the people.

8. The terms *Progressive* and *Democracy* are capitalized here to denote that they are referring to this specific ideology as opposed to democracy more generally.

policies were borne primarily by the very wealthy—those who were perceived as abusing their substantial economic power. As progressivism developed through the twentieth century, the Progressive ideology increasingly justified imposing costs on some not because the latter were taking advantage of others but as a means to the end of providing economic benefits to some other group. The Progressive welfare state imposes costs on a broad range of citizens to enhance the economic well-being of others. Progressive regulation is designed to limit the power of business for the benefit of workers and consumers. Progressive taxation is designed to transfer income from those with higher incomes. The twenty-first-century ideology of progressivism, embodied in the welfare state and the regulatory state, justifies imposing costs on some for the benefit of others.

Combining the ideologies of progressivism and democracy, the ideology of Progressive Democracy legitimizes the activities of democratic government. The ideology of progressivism justifies imposing costs on some for the benefit of others, and the ideology of democracy says that when this is done by a democratic government, it is carrying out the will of the people. The ideology of Progressive Democracy, by legitimizing the right of government to take from some to provide benefits to others, is a threat to freedom.

The language used to describe government actions influences how people perceive of those actions. The term *progressivism* conveys the impression of policies that serve the public interest rather than narrow individual interests, and the term *democracy* conveys the impression of a government that responds to the demands of a majority of its citizens. What some might call the tyranny of the majority is what others call Progressive Democracy. But the institutions of democratic governments do not always benefit a majority at the expense of a minority. As the earlier quotation from Stiglitz indicates, it is often a minority that benefits at the expense of a majority. The ideology of Progressive Democracy legitimizes all actions undertaken by democratic governments.

Whether Progressive policies are in the public interest, somehow defined, is not relevant to the relationship between democracy and freedom. If freedom is viewed as the ability of individuals to choose for themselves rather than to have others make their choices for them, the redistributive policies that are at the foundation of progressivism take away the freedom of both those who have resources transferred away from them and those who receive transfers. The recipients may have an expanded set of options, but that expanded set was chosen and enabled by others. To argue otherwise is to equate freedom with wealth.

The ideology of democracy compromises freedom because it justifies and legitimizes all government action. Democratic institutions reveal the desires of the citizens according to this ideological view of democracy, so actions of a democratic government are justified because they embody the preferences of the governed. Looking at Rousseau's statement at the beginning of this section, one cannot even disagree with that assertion, according to Rousseau. Anyone who disagrees,

Rousseau says, is wrong. This ideological view that justifies any action taken by a democratic government is a clear threat to freedom. The quip that democracy is two wolves and a sheep voting on what to have for dinner is an apt criticism of the ideology of Progressive Democracy.<sup>9</sup>

Those who have political power in a democracy can use it to benefit themselves at the expense of others, and the ideology of Progressive Democracy says that when they do so, they are acting in the public interest. If that is the commonly held ideological view of democracy, then the ideology of democracy undermines freedom.

## **Democracy as Freedom from Government Oppression**

The ideology of democracy does not always conform with the ideology of Progressive Democracy that legitimizes government action. Democracy is often viewed more broadly as a form of government that holds government accountable to its citizens. Democratic institutions facilitate that accountability, but features of democracy, such as elections, do not guarantee it. In this broader vision of democracy, voting is of secondary importance; the primary features of a democratic government are that it is accountable to its citizens and that it serves its citizens and protects their liberty. Democratic elections enable citizens to have some say over who holds the power of government, but the scope of government, in this vision of democracy, is limited to that narrow corridor (Acemoglu and Robinson 2019) between anarchy and Leviathan (Buchanan 1975). Democracy in this sense means that citizens control their governments rather than governments controlling their citizens. This idea goes back at least to Locke ([1690] 1960) and, as noted earlier, is embodied in the Declaration of Independence, which created the United States.

A few decades prior to Locke's treatises, Thomas Hobbes ([1651] 1950) argued that government is necessary to allow people to escape from anarchy, where life is a "war of all against all." Thus, individuals are obligated to abide by the rules of their governments to enable an orderly and productive society. As Hobbes frames this relationship, people get their rights from government and are obligated to abide by government's policies. Locke begins with the premises that people naturally have rights and that the role of government is to protect those rights. If the current government does not live up to its obligation to protect the rights of its citizens, those citizens are justified in overthrowing and replacing it with a government that does.

As Hobbes sees it, government controls its citizens, albeit for everyone's benefit. There is some similarity between Hobbes's vision and the ideology of Progressive

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9. Harold Hochman and James Rodgers (1969) argue that charitable activity creates a free-rider problem because people who want to help out the less fortunate can free-ride off the contributions of others. Compulsory redistribution can overcome the free-rider problem by forcing everyone to participate, making everyone better off. Thus, if the people paying taxes for redistribution programs were asked if they favor those programs and answer no, the reader of Hochman and Rodgers could assert that those people are just trying to free-ride and that they really are better off despite their denials.

Democracy in that both describe a government that writes the rules and citizens who are compelled to obey them. Locke's vision of government begins with the presumptions that people have rights and that government's role is to protect those rights. Governments should preserve freedom, and when they do not, citizens have the right to replace their governments. Democratic institutions are a means to an end that allow citizens to control their governments. In this view, democracy means government that is accountable to and controlled by its citizens.

Bailyn (1967) notes that Locke's ideas were specifically referenced by the American revolutionaries who agitated for the colonies to declare their independence from Britain. The ideology of American democracy as the Founders saw it was liberty, and the American Founders saw government as the biggest threat to liberty. This ideology rests more on the concept of accountability rather than on specific democratic institutions to enable the ideology. It is antithetical to the ideology of Progressive Democracy, which is based on government control rather than on citizen control.

This ideology that views democracy as a component of a government that preserves freedom and protects individual rights remains strong, if often underappreciated. When people are generally in agreement with the activities of their governments, they tend to view democracy as a set of institutions—elections, legislatures, and so forth—rather than viewing it as a guarantor of freedom. When citizens view democracy as a system of government that is controlled by and accountable to its citizens, they are inclined to rise up in protest when government compromises their freedom. The influence of Locke's ideas on the American Revolution has already been noted, but more contemporary examples show that people still hold Locke's ideas, even if they are not expressed the same way.

In an academic setting, Acemoglu and Robinson's (2019) idea of narrow corridor within which the power of government is balanced by the power of its citizens, leading to liberty, echoes the ideas of Buchanan (1975), who sought government institutions strong enough to protect liberty but sufficiently constrained to prevent government from violating liberty. This ideology that views democracy as a protector of freedom rather than as a way to further the will of the majority brings together the ideologies of democracy and freedom.

## **Popular Opinion Equates Democracy and Freedom**

Democracy as an ideology often legitimizes the actions of government because, as Rousseau says, it makes government actions appear to be an extension of the will of the people, as revealed through democratic political institutions. Democracy, Murray Edelman (1964) notes, has powerful symbolic value. But when governments engage in obvious abuses of power, the appearance of legitimacy fades because people associate democracy with citizen control of government. Should people realize this is not the case, they will abandon Rousseau's vision of democracy and resist government oppression. Although democracy is associated with elections, popular opinion also equates democracy with freedom.

When the Berlin Wall fell in 1989, citizens of the Eastern bloc countries rose up and rallied for democracy to replace their dictatorships, but as they looked across the wall to the West, the right to vote was a small part of what they sought. They wanted the freedom that they saw in the democratic West relative to the oppression they experienced. Although in many ways democracy is an impediment to freedom, the ideology of democracy supports freedom in a powerful manner because popular opinion equates the two. Bo Rothstein (2019) notes that citizens will rebel against their nominally democratic governments when they believe these governments are acting against the interests of their citizens.

The ideology that equates democracy with freedom has sufficient support that citizens have been motivated to stand up to their governments to push for their rights. Martin Luther King Jr. is an example of a leader who spoke against government discrimination that compromised individual freedom. Student protests against the Vietnam War offer another example. College students had personal reasons for opposing the war—they were subject to the military draft that compromised the freedom of those who were drafted—but like King they were protesting a nominally democratic government that was violating this broader ideology of democracy by compromising the freedom of individuals.

The Occupy Wall Street movement that began in 2011 offers another example. After the financial crisis that began in 2008, the bursting of the housing bubble and an accompanying recession meant that many people could not pay their mortgages and were foreclosed out of their homes. The protesters perceived a government policy that bailed out the financial firms that owned depreciated mortgage-backed securities but abandoned foreclosed homeowners to fend for themselves. In the language of the protesters, the government was supporting the one percent rather than the 99 percent—the vast majority of citizens. Government policy supported the insiders and cronies rather than doing what was in the broader public interest. The Occupy Wall Street protesters were objecting to a government that, as they viewed it, subverted democracy by favoring the few at the expense of the many.

One can debate the claims of the protesters, and some will argue that the government's policy response was appropriate to the situation, but the point here is that the protesters were objecting to policies that in their view were antithetical to the ideology of democracy because they were not in the best interest of most citizens. Rather than accept Rousseau's view that policies constructed through democratic institutions express the will of the people, the protesters were objecting to policies that they viewed as being designed by a group of cronies for the cronies' own benefit. They were explicitly rejecting the idea that their democratic government was furthering the general will and believed that a democratic government should act to benefit the masses but in this case was not.

In 2019, there were widespread protests against the governments in Hong Kong and in Iran precisely because the protesters felt that their governments were compromising their freedoms. In both cases, some protesters lost their lives to government

violence during the protests, indicating their willingness to risk their lives to rise up against oppressive governments and demand their freedom. As this article is being written, the long-term effects of those protests have yet to be determined, but even if the protests fail, they are examples of people acting based on a democratic ideology that equates democracy with freedom. Democracy, in this sense, means that citizens have the right to control their governments.

If democracy is viewed as a system of government that gives control of government to its citizens so that government acts in the interests of its citizens rather than of the ruling elite, then the ideology of democracy supports freedom. The examples in this section show that when people embrace this view of democratic government, they are willing to fight for their freedom. The ideological component of democracy is more important than the institutional component. Democracy, as a mechanism for making collective decisions, is subject to abuse and can compromise freedom. Likewise, the ideology of Progressive Democracy compromises freedom because it legitimizes all government action. But even those who promote the ideology of Progressive Democracy do so because they perceive government activity to be in the public interest, and when it becomes apparent that this is not so, they will turn against their oppressive governments. When people hold this view of democracy, democracy protects freedom.

## Conclusion

Democracy is a broad concept. Viewed as a form of government, democracy is a mechanism for making collective decisions. Democracy implies elections for those who hold political power, but it also brings with it other institutions that enable it to enforce rules and produce public goods. Analyzing democracy as a set of institutions to aggregate citizen preferences and carry them out shows that at best democracy does not support freedom and more likely is antithetical to freedom. But democracy is more than just a mechanism or a set of institutions—it is also an ideology. As such, people view democracy as a means toward certain ends. The ideological component of democracy is complicated because not everyone holds the same view of democracy.

Ideologically, democracy can be viewed as a mechanism for identifying and carrying out the will of the people, or it can be viewed as a form of government that is controlled by its citizens rather than that controls its citizens. Superficially, these two different ideologies of democracy appear to have much in common, but they have opposite implications for the preservation of freedom.

The view that democracy is a mechanism for identifying and carrying out the will of the people justifies and legitimizes the actions of democratic governments, regardless of those actions. The ideology of democracy, looked at this way, enables those with political power to use their power for their own benefit because whatever they do is the end result of a legitimate democratic political process. This shifts more power to the power elite and reduces the freedom of the masses. By legitimizing all government action, this view of democracy compromises freedom.

In the twenty-first century, the ideology of Progressive Democracy looms large. Progressive Democracy envisions the role of government not only to protect individual rights but also to look out for people's economic well-being. Progressivism has always been redistributive in nature, willing to impose costs on some for the benefit of others. The ideology of democracy says that when this is done through a democratic decision-making process, it is acting to further the will of the people. But the ideology of Progressive Democracy is a threat to freedom because it legitimizes government action that imposes costs on some and to do so it substitutes collective decision making for the freedom of individuals to make their own decisions.

The ideology of democracy has deeper roots, however, and implies that government should protect its citizens and that citizens ultimately control their governments. This view of democracy essentially equates democracy and freedom. Democratic institutions are the means by which citizens exercise their control. Even when there are elections, if people perceive that public policies compromise their freedom, they will push back, as Martin Luther King Jr. did in the 1960s, as the East Germans did in 1989, and as protesters in Hong Kong and Iran did in 2019. People do have and act on an ideology that equates democracy with freedom.

Viewed in this way, democracy is a set of institutions that enables and preserves freedom. However, freedom is compromised when people view democratic institutions as a mechanism for revealing the public interest. The latter view of democracy legitimizes the use of political power for any purpose that those who hold it want to accomplish. It encourages cronyism and special-interest politics and justifies the use of political power to limit freedom.

The relationship between democracy and freedom is complex, indeed. There is no guarantee that democratic governments will preserve freedom, and an uncritical support of democracy will compromise freedom. For democracy to preserve freedom, democracy must mean more than the use of elections to determine who holds political power. It must mean that citizens control their governments. The American Founders recognized that citizens cannot control their government unless government has constitutionally limited powers and checks to prevent abuses of government power. Citizens cannot control a government that has the power to do whatever the elite who hold political power want. Most people want the freedom to run their own lives rather than to have their government impose its preferences on them. To have this kind of freedom requires a critical understanding of the nature of democratic government.

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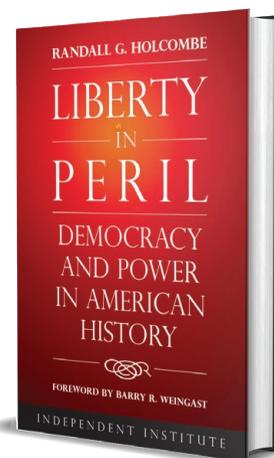
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