

# NECSI Technical Report 2007-05-01 May 2007

# The Future of Democracy?

## Yaneer Bar-Yam, Ph.D.

President, New England Complex Systems Institute

# **Mark Woolsey**

New England Complex Systems Institute

After the ideological conflicts of the 20<sup>th</sup> century, democracy was widely hailed as an ideal, or at least inherently superior, form of government. And compared to the most prominent competing system of the last century, communism, it's been a great success. But anyone would concede that our democracy isn't perfect, and as the elections approach many are calling attention to the limitations of our system. For much of human history, people didn't even conceive of a functioning democracy, thinking only in terms of anarchy or dictatorships. It could be that we just don't yet see a further, better incarnation of participatory government. Perhaps, to paraphrase Winston Churchill, democracy is simply "the worst form of government except for all the others."[1]

One of the fatal flaws of communism, as practiced in the Soviet Union, was a reliance on centralization. Soviet economic planning failed to achieve the success of free market economies— something Austrian economist Friedrich Hayek predicted in the 1940s, [2] although decades passed before the system's collapse. Ultimately, the concentrated decision-making of the Soviet system, with a handful of people calling all the shots, proved unequal to the task of adapting to increasingly complex problems. [3]

Any government is a highly complex body responsible for making decisions and acting on them. Its continuing success, and even survival, depends upon an ability to do those two things. With the United States facing a host of new and complicated issues, how suited is our own government to dealing with the task?

To use the example of Hurricane Katrina, the government has certainly acknowledged that, with the benefit of hindsight, things would have been handled differently. The fact is that governments sometimes prove to be incapable of dealing with problems before, during or after the fact. [4-6] The seriousness of the consequences has hit home over the past few years as we've confronted a devastating natural disaster, a major domestic terrorist attack, and a war against a relative handful of people the powerful military struggles to win.

The tendency on such occasions is to blame individuals or political parties, but the systemic nature of these failures is rarely addressed. While individuals make these important decisions, they do so from within the system's confines. And if the system is flawed, the decision-making process is flawed.

One of the advantages of democracy over Soviet-style communism is the decentralization of the decision-making process. Rather than being concentrated in the hands of a select few, the participatory nature of a democracy should lend itself to more effective decision-making by drawing on a diverse pool of knowledge and skill. Corporations began to adopt this view in recent decades, moving away from lone decision-makers to teams that could combine their talents. But how effective is democracy in distributing this power? Although the right to vote is one of the most fundamental to our society, the logistics of elections necessitate that every issue, no matter how complex, be reduced to a simple 'yes' or 'no.' Voters can determine important issues, but not complicated issues. The real power of the voter is in electing a representative to serve as a decision-maker by proxy.

By this process alone, we lose a tremendous amount of potential talent and ability. It also means increased concentration of real power in the hands of a relatively small, albeit democratically elected, group. Current reelection rates for incumbents are better than 90% (in the 2000 House of Representatives elections, it was 98%), [7] and fewer competitive races means a voting public with less decision-making power—and legislators with every reason to protect a lucrative status quo. This motivation could lead politicians to avoid making decisions as a means of self-preservation, or to expand their decision-making power without regard to the will of the public. In either case, the participatory nature of democracy is subverted, and we are left with a centralized governing body that makes (or avoids) decisions with the same shortsightedness of yesterday's failed authoritarian states.

To prevent the abuse of just such a situation, a number of checks and balances were built into the system. Yet we must ask if they are a sufficient guarantee of avoiding the pitfalls of highly concentrated power. As the election approaches, there are widespread concerns that all it has taken to render our system's fail-safes ineffectual is the dominance of a single political party across the three branches of government. We're certainly seeing unprecedented cooperation, with the executive "check" of veto power used only twice in the last six years, the legislative branch opting to cede oversight of several key administration policies and the politicization of federal courts. While democracies are able to draw on the entire population for a greater decision-making capacity, that advantage can clearly waste away.

What would we predict for the future of a system that is increasingly centralized, and ineffectively distributes decision-making authority? Enough bad judgment—or just bad timing-- can bring down even the most powerful system. Were that to happen, what would the future hold? Would we see the United States simply diminish in stature, wealth, and power? Might fears that trade and government deficits could lead to government bankruptcy be realized? Could we even split into a loose confederation of states, as did the former Soviet Union? Could increased corporate authority fill the void left by a failed central government? Of course, not all possibilities are so unpleasant.

Using a new understanding of social imperatives and emerging technologies, we may identify a better form of participatory government. The concept of e-democracy has become a serious area of research around the world, and the potential it has for creating a more participatory and equitable form of direct democracy is great indeed.

Expanded communication and significant changes in the process of decision-making can provide a foundation for a system that utilizes the talents and abilities of the many instead of the few. Perhaps the result would only be a new "worst form of government," but even Churchill might approve of a dramatic change. After all, his observation closes with these words: "except for all the others that have been tried."

#### **Author affiliation:**

Yaneer Bar-Yam is Professor and President of the New England Complex Systems Institute (<a href="http://www.necsi.org">http://www.necsi.org</a>), and the author of *Dynamics of Complex Systems* and *Making Things Work: Solving Complex Problems in a Complex World*.

Correspondence: Requests for reprints should be sent to Professor Yaneer Bar-Yam, New England Complex Systems Institute, Cambridge, MA 02138 (e-mail: <a href="mailto:yaneer@necsi.org">yaneer@necsi.org</a>)

### References

- 1. Winston Churchill, speech before the House of Commons, November 11, 1947. Winston S. Churchill: His Complete Speeches, 1897–1963, ed. R. R. James. Bowker, New York (1974).
- 2. F. A. Hayek. *The Road to Serfdom* (1944). Routledge Classics, Great Britain (2006).
- 3. P. M. Price. A Model for Logistics Management in a Post-Soviet Central Asian Transitional Economy. Journal of Business Logistics, 27 (2) 2006.
- 4. M. Fischetti. Drowning New Orleans. Scientific American, 285 (4) 2001. http://tinyurl.com/7n5nx
- 5. *Daley 'shocked' at federal snub of offers to help*. Chicago Tribune, September 2, 2005. http://tinyurl.com/cwnl2
- 6. *Breakdowns marked path from hurricane to anarchy*. New York Times, September 11, 2005. http://tinyurl.com/2a5rj3
- 7. J. A. Ferejohn. "On the Decline of Competition in Congressional Elections." *American Political Science Review* 71 (1) 2006.