Interview: Philip Coggan of the Economist on the West's democratic decline and how to fix it

democraticaudit.com /2013/09/17/interview-with-the-economists-philip-coggan-democratic-decline-and-how-to-fix-it/

By Democratic Audit UK 2013-9-17

Philip Coggan, aka 'Buttonwood' of the Economist, recently spoke to Democratic Audit's **Sean Kippin** about his new book 'The Last Vote: the Threats to Western Democracy', where we've gone wrong and how we might go about confronting the challenge. In part one of this two part interview, Coggan urges us to treat our next vote as if it's our last.



Your book has the title 'The Last Vote: the Threat to Western Democracy' – do you think democracy in countries like our own is in genuine threat?

"I do, and those threats are two-fold. There's a bottom up threat, and a top-down one. The bottom-up threat comes from the fact that democracy has lasted 100 years in the western world in the sense of full adult participation, and even in that period has had some wobbles. The 1930s in Europe saw authoritarianism, and during the 1970s in Latin America. Even Britain around that time was being described as "ungovernable". Those wobbles have tended to take place at times of economic strife and you can see democracy as a bargain, as Schumpeter did, in which the elected leaders promise prosperity to the voters, and the voters give their consent to being governed on that basis. The last few years have shown that it is very difficult for our elected leaders to deliver prosperity and so that bargain has been broken. So, countries are having to make very difficult decisions at a time when voter turnout has been falling for four decades (as graphs in the book show) and at a time when the public view of politicians is very low thanks to various scandals.

"So that's on the one side, and then there's the top-down issue, which is that more and more decisions in

democracies are being taken out of the voters' hands. So the original Athenian democracy, as you know, was all about men (of course, not women or slaves!) standing around in a forum and deciding on things. Then we had modern representative democracy, which is the version [of democracy] when we vote for people who decide on things. But those representatives now themselves delegate decisions.

"For example, the Economist recently said that Angela Merkel is the most powerful person in Europe, but actually you could argue that its Mario Draghi (the European Central Bank President) or the most powerful person in the US could be said to be Ben Bernanke, as monetary policy is generally out of the hands of voters. Law, for long-standing historical reasons, is out of the hands of voters (to a certain degree) and fiscal policy might be going the same way. Then there are a whole host of quangos which decide on things like food and drug administration, such as NICE [the National Institute for Health and Care Excellence]. This means that voters are even further insulated from decision-making, and you can't even "throw the bums out" because this 'double delegation' means that you have to trust your bums to throw the bums out if you want to get rid of them.

"So the two things can feed on themselves, if people feel what they're voting about doesn't really matter. And I think that if you look at the history of the crisis, what has happened in most European countries is that the political party in office at the start has been chucked out and replaced with an opposition, but policy hasn't changed much as a result, which adds to people's disillusionment, so these two things can work on each other.

"So as a consequence of that, we still have the form of democracy, but are undermining the content. There are other issues to do with party funding and inequality."

So you think the threat to western democracy is more of a slow burning decline into irrelevance, rather than the threat of an alternative model of government – such as the kind of system that we see in China or Russia – waiting in the wings?

"I don't think that threat is massive, but in individual countries such as Greece, Italy and France, what we have seen is that there is a portion of the electorate (a quarter to a third) who are quite happy to vote for parties that are well outside of the mainstream, or even extreme parties, and that portion could, if times go on, get larger. Hitler only got 37% of the electorate before he started fiddling the vote at his peak, so we're not far off from those figures, and there have been some good reports looking at the long-term rise of support for the far right, and there are other reasons that might happen such as those we have created with the War on Terror and this potential feedback process whereby we say there's an enormous threat to liberty, we demonise a part of the population, that part of the population may react, which is used to justify further restrictions on liberty.

"You can say two things, one; from a security point of view people accept some restrictions on liberty such as being searched when we go on an aeroplane, and similarly the Chinese model, what most people care about is feeding their kids and heating their home, and the Chinese have been so far willing to accept that trade off provided the Communist Party delivers growth. So, a cynical voter who feels that 'they're all corrupt' might see a Putin or Chavez-like figure come in and might not care if elections are being fiddled and the media is being manipulated to keep that guy in office. So that is a particularly insidious threat, yes."

Do you think there's any way back from that distrust of and cynicism about political elites?

"That brings me nicely to the title [of the book] which is *'The Last Vote'*. We cannot recapture the enthusiasm we've seen for democracy which we've seen on occasion in the emerging world where people proudly get their first vote. But we must not forget as individuals that we are very lucky to live in a democratic country. So the portion in that 100 years is very small, and for vast chunks of history the ordinary person was ignored. And we have become too blasé about it, and too blasé about our leaders. So the reason that our leaders have not done well is that we have allowed ourselves to be lulled by false promises where we've allowed ourselves to believe that taxes can be cut and spending maintained without creating any financial problems or that over the long run the build-up of special interests within the law (tax breaks for particular firms and individuals, for example) don't create a problem.

"So it's up to us, to change our attitude. We have to recognise that if you or I were placed in the position of David Cameron, Barack Obama or François Hollande, we would find it just as difficult to make those decisions. These people aren't failing because they're corrupt or stupid, it's because the choices we face are genuinely quite difficult. And if we regard them with cynicism and we wash our hands of it, then we deserve some of the problems that we face. The media, too, takes its share of the blame, I think. We've gone from a period 50 or 60 years ago when politicians would be treated with exaggerated respect to a period where they're treated with utter contempt. That, I think, undermines our system altogether. Somehow, we have to recognise, that the fault is not in our stars but in ourselves, and we need to get more involved, make sure we vote – and don't vote for joke candidates – because this might be your last vote. The next time you vote, you might get somebody in who you might not be able to get rid of, and if you thought about it that way, you might vote rather differently."

Do you think the state should be doing more to get people involved in politics? – for example, Australia voted recently and they use compulsory voting.

"Definitely. There are a number of countries with mandatory voting. Whether or not this helps... I was just talking to an Australian who had said that in the past he'd turned up and spoiled his ballot because he didn't think it was up to him, or he was thinking of voting for Julian Assange as a protest and that's exactly the problem I'm worried about. But we could certainly make it easier for people to vote. Given that you and I can make bank transactions and buy goods online, which people are very concerned about, over the medium term it certainly seems possible that we could be able to vote over the internet and that will save a lot of trouble.

"We face the difficult problem that a number of economists wonder about whether it's rational to vote at all in that the chances of your or my vote having an effect on the outcome is infinitesimally small. But when the alternative is trekking out on a cold, wet Thursday at 7am, we should consider voting by simply pressing a button.

"There are institutional things we can do, such as – given the problem of double delegation – asking the Second Chamber of Parliament, to monitor those technocrats and where the second house feels those technocrats are exceeding their authority, they could call a referendum and ask the people to vote on the issue. Provided that didn't happen too often, it would be a way of keeping a check on these outside bodies."

Note: Philip Coggan was promoting his new book 'the Last Vote: the threats to Western Democracy'. A podcast of his recent appearance at an LSE event is available here. This interview gives the views of the author, and not those of Democratic Audit or the LSE. Please read our comments policy before posting.

Philip Coggan was a *Financial Times* journalist for over twenty years, and is now the Buttonwood columnist for the *Economist*. In 2009 he was named Senior Financial Journalist in the Harold Wincott awards and was voted Best Communicator at the Business Journalist of the Year Awards. He is the author of *The Money Machine*, and *Paper Promises*, winner of the Spears Business Book of the Year Award and longlisted for the *Financial Times* Goldman Sachs Business Book of the Year Award.

