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Stadler, Alfred William

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UNIVERSITY OF THE WITWATERSRAND

A F R I C A N S T U D I E S I N S T I T U T E

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Title: The Conditions for Democracy in a Future South Africa.

by: A. W. Stadler

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The conditions for democracy in a future South Africa

A. W. Stadler

It is not inconceivable that the formal institutions of democracy, with universal adult suffrage in a unitary state at the centre, will be introduced in South Africa in the foreseeable future. It is also not beyond the bounds of probability that these formal institutions will be overtaken by a coup d'etat, or a one-party dictatorship which will subordinate or suppress opposition and dissent.

This paper is concerned to investigate the most propitious conditions for a stable future democracy in South Africa. Like other similar undertakings, the paper is primarily based on comparative studies rather than on South African political, economic or social material. The main conditions which will be investigated are social, or socio-economic; political; and institutional. The political conditions will be discussed in two intimately related contexts: the one focused on policy, and the other on political power. But it will also become clear that it disputes the assumption made in the earlier literature that it is possible neatly to separate political conditions from social ones, or to assume that the chains of causality can be arranged in a linear fashion.

The paper hopefully contributes to political debates going on in this country. It therefore has a political purpose. It also makes the assumption that academic debate may contribute meaningfully to desirable political ends. However, the paper does not, except in a superficial and piecemeal way, consider the extent to which South African conditions provide evidence of emergent properties conducive to democratic stability, or otherwise.

Each of the conditions is the subject of great controversy in the literature, and much of the paper will be concerned to argue positions within the controversies. It ought not to be forgotten either that the very notion of democracy is itself a matter of controversy and polemic, and that the position which writers adopt in response to the substantive problem hinges on their understanding of, and attitude towards, democracy.

The socio-economic conditions of democracy: wealth or equality?

The orthodox position on this issue in political sociology was long dominated by S.M. Lipset, who made two important claims which have commanded strong support in non-Marxist political sociology. The first was that democracy was related to the state of economic development.

> The more well-to-do a nation, the greater the chances that it will sustain democracy ... only in a wealthy society in which relatively few citizens lived at the level of real poverty could there be a situation in which the mass of the population intelligently participate in politics and develop the self-restraint necessary to avoid succumbing to the appeals of irresponsible demagogues.[1]

The second claim he made was a corollary of the first: much of the book elaborates the idea that the working classes were particularly vulnerable to authoritarian and extremist political movements.

In sum, there are two biases in the argument. One privileges economic growth; the other extols limited or constrained participation, particularly working class participation, in politics.

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[1] S. M. Lipset, *Political Man*, London, 1959, 49-50.

The interest in these arguments for a student of democratisation in South Africa is that both are current in contemporary reformist debates. The thesis that economic growth provides the basis for democracy was developed in the well-known O'Dowd thesis which predicted the democratisation of South Africa in the wake of industrial growth, although O'Dowd modelled his thesis on W. W. Rostow's *The Stages of Growth*, not Lipset's work. It was thus more directly than Lipset's work based on a linear, determinist, stage-based conception of historical process.

One of the implications of this argument, which was not foreseen, or not discussed, in the original formulations, was that conditions of economic stagnation or decline, such as set in from the early 1970s, might be unpropitious for the installation of democratic institutions.

Embedded in the Lipset thesis about the economic bases of democracy were a number of assumptions about the meaning of democracy. It rested explicitly on the "equilibrium" model of democracy developed by Joseph Schumpeter, defined as competition for power between elites, which usurped and obliterated the older meanings held equally by its opponents and its advocates.[2] These older meanings had embedded the concept of democracy in the struggles of the poor and the marginalised for political expression and power. They are virtually excluded in the Schumpeterian conception of democracy. So too are those conceptions of democracy as a process of political learning achieved through participation. These issues will be considered in the discussion on political institutions.

Like the thesis prescribing growth as the condition for democracy, the argument in favour of a notion of democracy as requiring limited participation in government (and a limited state too) has resurfaced in the reformist debate in South Africa, in various forms, including monetarism, federalism, and in notions of "divided sovereignty", etc.

Mr Justice Steyn, the former chairman of the Urban Foundation crystallised these ideas in an elegant combination of the Lipset thesis and the theory of overloaded government which became current during the 1970s:

> Some social scientists have observed that democracy is often most stable when most of the basic problems of the society have been solved and the population at large has been able to reduce its political fervour. In developing situations, including our own, our most basic problems of material inequality and deprivation, under the most favourable circumstances, will take many decades to alleviate to the extent that they no longer generate political passion. In societies with large masses of undifferentiated need, the popular demands on government are immediate and powerful -- and very easily exploitable by democratic opposition to the point that no government can enjoy the security to pursue its longer-term priorities. Prompted by the many acute needs of the masses, a competitive democratic opposition can make facile promises, and thus create expectations that no government can meet.[3]

Within a few years of the appearance of Lipset's book, the publication of Barrington Moore's work cast doubt over the major assumption that there was a direct and uniform relationship between socio-economic conditions and political democracy, or indeed any specific form of government. Moore's case studies in "historical sociology" provided the basis for the

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[2] *Capitalism, Socialism and Democracy*, London, 1942, chapters 21 and 22.

[3] Speech at Durban, 8 June 1988.

argument that there were three, and not one, routes to modernity, and that only one of them led to democracy.[4]

Yet in casting doubt on the validity of the Lipset thesis in one respect, Moore confirmed it in another. The major condition for democracy, he argued, was the prominence, or even predominance, of the bourgeoisie in the array of social forces seeking political change during the period preceding democratisation. Without this condition, the probable result would be a failure to modernise, or modernisation under the auspices of an aristocracy leading to fascism, or alternatively a communist revolution.

This position has in turn been challenged and modified. John Stephens has shown that because Moore's study stopped too early, it underplayed the role of the working classes in the achievement of democracy and overstated the role of the bourgeoisie.

Stephens, like Therborn, whose influence he acknowledges, argues that the working class needs allies from other classes in order to achieve the final push towards democracy. But in contradiction of Moore, he shows that these allies are found among the peasantry and the urban middle class, and not the bourgeoisie. Except in England and France, the bourgeoisie was a centre of resistance to the political incorporation of the working class. The democracy which the bourgoisie supported was democracy for the propertied.

Stephens adds an issue which confirms one argument in Moore's study, but in a way which contributes a refinement which is absent from Moore's book: Stephens accepts that the bourgeoisie contributes towards the establishment of parliamentary government, but insists that it is the working class which democratises that form of government.[5]

A second way in which a refinement of the Moore thesis contributes to the understanding of the conditions of democracy lay in his argument that the major precondition was the need for a violent break with the past. But it is important to add that this was not elaborated in any systematic way, nor was it linked specifically to the conditions for democracy. Rather it provided one of the conditions for modernisation. Therefore Moore's work, though important in disposing of the consensualist bias which characterised the Lipset thesis, did not clarify the political conditions fully, nor relate these to the social and economic ones.

Another implication of Moore's study, and the criticism of it by Stephens, is that it raised the issue of the political conditions for modernisation, and specifically for economic growth, as well as the political conditions propitious for democracy. Although fuller discussion of this issue must be postponed, there is at least one problem which needs airing now: the conditions most propitious for the formal *establishment* of democratic institutions were not necessarily the same conditions for the maintenance of *stable* democracies.

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[4] Barrington Moore, Jnr, *The Social Origins of Dictatorship and Democracy*: *Lord and Peasant in the making of the modern world*. London, 1966.

[5] John D.Stephens, Democratic Transition and Breakdown in Western Europe, 1870-1939: a test of the Moore thesis, *American Journal of Sociology* , 94 (5), March, 1989, 1019-1077.

Goran Therborn made an incisive contribution towards the development of this position in a paper which tilted the balance of plausibility even further away from the Lipset thesis.

Therborn argued that far from democracy being established during periods of economic growth and social consensus, the most propitious periods for the establishment of democracy were periods of political and socio-economic upheaval and dislocation. The "striking absence in the history of bourgeois democracy is that of a steady, peaceful process accompanying the development of wealth, literacy and urbanisation." He stressed the importance of defeat in war, and the attendant social upheaval, as major conditions for the installation of democratic institutions. Of eighteen cases which he cites, six (or seven) democracies had their origins in military defeat, and in another eight cases, war was "causally decisive" in installing democracies. Democracy, he argued, was a "martial accomplishment". But Therborn did not pursue the issue of the stability or otherwise of democracies once they had been established.[6]

This issue was raised by Edward Muller in an important comparative study which confronts the Lipset thesis directly on its own terrain, that of the general socio-economic conditions conducive to democracy.

Muller argued that the most important socio-economic condition for stable democracy was not growth but equality, and conversely, the conditions least favourable was inequality. The main lines of his argument may be summed up as follows. Democratic government produces egalitarian effects, but these effects are gradual rather than rapid:

> the egalitarian influence of democracy is a gradual process, resulting from a country's accumulated years of democratic experience, rather than a relatively immediate effect of the level of democracy in a given year.

He argued that on the average approximately 20 years of democratic influence were required for these egalitarian effects to occur; "a second generation of democratic experience enhances this egalitarian effect." In the present context, one of the most important of Muller's findings was that countries with "less than a generation of democracy are no less inegalitarian, on the average, than nondemocracies..." It is these countries which display the features which he describes as "unstable democracies": those in which the formal institutions of democracy are vulnerable to being replaced by authoritarian regimes. Muller's study confirmed precisely the broad thesis which Robert Dahl asserted in his *Polyarchy* , published in 1971:

> In a society that already has a regime with public contestation, extreme inequalities increase the chances that competitive politics will be displaced by a hegemony. Polyarchies are particularly vulnerable to the effects of extreme inequalities. Extreme inequalities in the distribution of key values are unfavourable to competitive politics and to polyarchy because this state of affairs... is equivalent to extreme inequality in the distribution of key political resources and is likely to generate resentments and frustrations which weaken allegiance to the regime.

Muller's statistical analysis confirmed this exactly: "All democracies with high income inequality ... were unstable. These very inegalitarian democracies were highly susceptible to military coups, which were

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[6] Goran Therborn, The Rule of Capital and the Rise of Democracy, *New Left Review*, 103, 21.

responsible for four of the six instances of instability." Muller's broader conclusion about political strategies is also worth quoting at length:

> If a democratic regime is inaugurated in a country with an extremely inegalitarian distribution of income, high inequality is likely to undermine the legitimacy of the regime and cause democratic institutions to be replaced by authoritarian rule. .. I t seems the only way to break out of this vicious circle is for a strong political party with redistributive goals to develop during the early years of democracy and then hold office for a sufficiently long period of time to implement policies that significantly reduce income inequality.[7]

The political conditions: a strong left-wing party and strong unions

An earlier paper by Christopher Hewitt was more explicit about the kind of political party, and the sort of strategies it would require to reduce inequality as rapidly as possible. He argued that political democracy was not a sufficient condition for the achievement of a more equal society. "The crucial matter is what the mass electorate *does* with the franchise and other democratic procedures. Only if the lower classes use their votes to elect socialist governments will democracy result in more equality, since non-socialist governments will not be concerned with redistribution and social equality."[8]

The conclusion that equality and not wealth was the crucial socio-economic condition for stable democracy ought not to obscure the fact that growth in a relatively poor country like South Africa will in fact remain an important priority in the future. The fact that the case for economic growth is often argued with an anti-democratic purpose in mind, or without consideration of the social or political costs or consequences, ought not to minimise its importance for a democratic society.

Peter Lange and Geoffrey Garrett showed that the impact of "domestic political-economic structures" were just as important in affecting the economic performance of national economies as their positions in the international economy. In particular, they suggested that the organisational structure and political power of labour were key determinants of economic performance under the stagflationary conditions prevailing during the 1970s.

> Centralised and dense unions and powerful political parties of the Left appear conducive to the development of the politics of concertation between unions, employers' associations and government ... Concertation, in turn, is associated with a 'virtuous circle' of government political economic policy, which both promotes and is promoted by regulation of workers' behaviour in the market... Where this

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[7] Edward N. Muller, Democracy, Economic Development and Income Inequality, *American Sociological Review*, 53 (1), February, 1988, esp. pp. 59-66.

[8] Christopher Hewitt, The Effect of Political Democracy and Social Democracy on Equality and in Industrial Societies: A Cross-Natonal Comparison, *American Sociological Review*, 1977, 42, 450-464,

> virtuous circle is established, it results in better aggregate economic performance.[9]

Their study emphasised that the presence of *both* a powerful Left-wing party *and* a strong union movement were indispensable in securing economic growth. "Labour strength only in the market or in politics may not be conducive to economic growth." They add an interesting rider: where "labour is weak, both organisationally and politically, it is possible that this general weakness will be associated with economic performance levels similar to those where the labour movement is very strong." This rider may tempt support for a union-bashing policy from those for whom this has anyway ideological and political attractions. In fact, there would seem to be economic advantages to capital, particularly large-scale capital which may offset these ideological and political disadvantages.

Lange and Garrett argue that associations like unions can advance the interests of their members through one of two strategies: redistributional or collective gains. They would be more likely to support the second strategy -- for instance by supporting growth through imposing wage restraints on their members, if they could be certain that their members would benefit from such a strategy. Because capital, not labour determine how profits are distributed, there is in fact considerable uncertainty that this will happen. "There is nothing ... to stop capitalists from spending profits in ways which only inefficiently contribute to national economic growth, such as distributing large portions to stock-holders or deciding that overseas investments are more attrative than domestic ones."

These uncertainties might be reduced by labour taking control over the investment process -- that is to say, by the transformation of the political economy into a socialist state. But an alternative -- a more feasible alternative -- way of reducing uncertainties would be to use state policy to reduce the risks involved in a "collective gains" strategy. They argue that two political conditions are likely to "induce capitalists to spend profits in ways efficient for domestic growth, while also assuring that workers will share proportionately in the fruits of that growth and will be protected as well as possible should the expected growth not materialise...: an historically strong political Left, and prospects for direct control of government by a party of the Left, closely linked to the union movement." The authors argued that an "encompassing" union movement would be inclined to pursue a collective gains strategy (such as growth) rather than a redistributionist one; while the presence of strong Left governments would reduce the risks that this strategy would not be translated into economic gains for workers.

The remainder of their paper consisted of an empirical verification of this hypothesis. It will not be repeated here. It is worth quoting one final remark from the study.

> Our findings also make clear that the economists' prejudice -- that politics just gets in the way of optimal economic performance -- can only be sustained under certain circumstances. The conditional relationships we have

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[9] Lange, P and Garrett, G, The Politics of Growth: Strategic Interaction and Economic Performance in the Advanced Industrial Democracies, 1974-1980, *Journal of Politics*, 47, 1985, 792-827.

uncovered certainly suggests that where unions are very weak or are stronger but fragmented, governments of the Left or the Right will find it difficult and probably fruitless to attempt to use political means to achieve desired market outcomes through labour self-reglation. The desired outcomes are more likely to be more effectively and efficiently achieved by letting the market do its work. In fact, where the unions are fragmented but strong enough to disrupt market outcomes, governments which are perceived to support labour may actually contribute to poorer growth performance.

In 1988, Alexander Hicks undertook a re-examination of the study. He confirmed that a combination of powerful unions and powerful left-wing governments are conducive to economic growth. Contrary to the assumptions embedded in the "overloaded government" thesis, he argued that strong unions and left-wing governments contribute significantly to economic growth, to job security, and to income redistribution. He thus tends to strengthen the case made by Hewitt. One of the reasons for this is the capacity of strong unions to use wage restraints to stimulate growth.[10]

The studies by Lange and Garrett were based on advanced industrial countries. It could be argued that South Africa does not exhibit comparable features in its demographic, social, political, economic and infrastructural make-up. This may be true in many respects. But it ought to be stressed that South Africa is a mature industrial society, albeit one with special features. Despite these features, it should be recalled that by 1960, 30% of its workforce was employed in industry -- the same as Japan. (Subsequently, the figure for Japan has increased to 37%, while it has remained about constant for South Africa.) In two respects, the relative maturity of the South African industrial economy suggest that one of the structural conditions for concertation is present, and the other at least emergent.

The first condition of concertation is that feature of the South African economy so widely criticised by left and right that it has become something of a ritual to condemn it -- the heavy concentration of control over the political economy located in a handful of companies. It ought to be noted that this is a feature too of the Swedish economy which was reinforced by Social Democratic tax policy which benefits the richest and the poorest income groups at the expense of the two intermediate ones.

After the protracted repression of black labour, it is possible to see developing the second condition for concertation: an increasingly coherent and well-organised union movement with a highly competent leadership. But of course it would require the establishment of universal political rights, including the right to organise politically before the potentialities of this latency could be realised.

True, the South African union movement is not -- or not yet -- a movement in which any sigfnificant level of "concertation" has taken place, and it is also one which remains highly vulnerable to attack by the state. What is absent of course is a powerful left-wing party in power or in a position of influence over government. This is precluded at present by the battery of anti-leftist legislation, by the state's systematic attacks on the

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[10] Alexander Hicks, Social Democratic Corporatism and Economic Growth, *The Journal of Politics*, vol 50, 1988, 676 - 704.

left, and by the absence of common political rights which would enable the majority of workers to achieve political organisation.

This situation *forces* the union movement to opt for strategies of "redistribution" rather than of "collective gains", simply because the risks that the benefits of wage restraints will not benefit workers, or contribute signficantly to growth, are very high. From the perspective of capital, interested in growth, the situation is also unsatisfactory. It is difficult to imagine turning the clock back to the days when growth could be achieved because the weakness of the union movement made it difficult to prevent controls over wages being imposed from outside.

In the circumstances, then, capital and labour canot collaborate on a strategy of growth. Such a strategy could only be attained on the basis of the accession to power of a left-wing government, which capital shows little sign of welcoming. But it may find this prospect less inimical with its interests than current propaganda suggests.

The implications for policy: the need for social democratic strategies.

Philip Pettit has made an incisive analysis of what a social democratic theory ought to be. Before developing its main features, attention ought to be given to the open-ended institutional and programmatic features of such a theory: as Pettit writes, it is a "philosophy for policy-making, not a closed list of political programmes." He even contemplates the possibility that such a project may ultimately be non-statist in character.

Pettit emphasises that social democracy shares the same values as liberalism in that both emphasise the ideal of equal respect. They differ in that liberals assume that conditions of formal equality and common rights are sufficient to satisfy the condition of equal respect-ability. Social democrats require the active promotion of such an ideal by the state.

The fundamental purpose of a social democratic project is to bring about a situation in which people achieve equal respect. This requires, in his argument, policies designed to redress inequalities in two areas: capacity and power. Strategies designed to redress inequalities in capacity are termed "emancipatory", and are intended to emancipate people from "penury, ignorance, vulnerability; in particular vulnerability to sickness and disability." Social security, public housing, compulsory education and public health are some of the items on an emancipatory agenda. Pettit insists that their provision should in "in kind, universal and monopolistic."

The empowering requirements of a social democratic theory necessitate strategies aimed at reducing or eliminating obstacles to equality such as coercion, exploitation, manipulation, discrimination and marginalisation. Among such strategies would be social security against exploitation by employers, systems for monitoring and eliminating discrimination, and forms of participatory democracy in both workplace and community.[11]

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[11] Philip Pettit, Towards a Social Democratic Theory of the State , *Political Studies*, 1987, 35, 537-551.

It may be necessary to extend the list of strategies in order to emphasise issues which give proiminence to some of the particular features of the South African situation. For instance, the extremely skewed distribution of access to land and land ownership would seem to suggest that a vigorous programme of land reforms would be required to redress inequalities in power. The second problematic area in which cultural marginalisation is a feature of the present society is the broad area of language and culture. A significant proportion of the society is effectively marginalised by their inability to speak English.

Democratic institutions.

One of the implications of the critiques we have sketched so far is that it is difficult to separate out socio-economic from political factors, or to arrange their interaction in any neat linear form. Indeed, one important trend in the recent literature is the way in which politics, in very broad terms (implying conjunctures, policies, political forces, and political forms) comprises an intrinsic element in economic policy-making and development.

The problem with representative instititions.

Particularly important is the growing recognition that democratic participation, far from posing a threat to economic growth and development during the period of late capitalism may under conditions such as specified by Hewitt, contribute to these processes. But in order to understand how this could be achieved, it is necessary to investigate in much greater detail specific problems in the equilibrium model developed by Schumpeter, and to raise alternative models.

The attack on this conception of democracy rested on two main arguments. The first was that it suppressed and almost obliterated the original meaning of democracy -- held equally by left and right -- as the political instrument employed, in Macpherson's account, by the weak, the rightless and the poor against their subordination to the rich, powerful and privileged. The institutional measure, already touched on in our discussion of social democratic philosophy, will be briefly discussed presently in the context of participatory democracy.

The second line of attack on this conception of democracy, and on the political institutions which were held to express it, was that they failed to allow the formation of new institutional arrangements needed to generate structures, procedures and policies required to confront the economic and social crises of the 1970s and 1980s, of which economic stagnancy, unemployment, and failure to exploit new technologies were the most important. This failure was attributed to the central feature of the representative system -- the substantive exclusion of the majority from effective participation in politics and the control of government policy by a coalition between party politicians and state bureaucrats, a coalition which precluded the possibility of innovation in response to the changes of the 1970s and 1980s.

For some theorists, like Paul Hirst, the limitation on public participation lay at the heart of the incapacity of the British government to initiate needed innovations in policy. It is interesting that this exclusion was the very feature which writers like Schumpeter, took to be its central merit. Schumpeter had seen the merit of competitive, representative democracy to lie in the

limitations it imposed on participation -- in effect, participation was limited to political professionals; what he called the "masses" were excluded.

In an important paper, Andrew Martin placed the issue in historical and comparative perspective by suggesting that liberal democracy and the competitive party system which evolved within it created the conditions under which industrialising elites could effectively be protected against democratic pressures during the earlier phases of industrial development.

This insulation was vital in securing the political conditions for capital accumulation, particularly in countries where significant elements in the subordinate classes had gained the franchise prior to, or early in, the industrialising process.

The capacity to insulate these elites rested on a variety of factors. In the United States, it was secured by the displacement of class issues by regional, ethnic and racial issues from the 1890s onwards by both the major parties, and the common commitment by their leaders to industrialisation.

The insulation thus created was comparable to that which was achieved in the Soviet Union under Stalin through the instrument of the single, bureaucratically centralised, party. The effect of insulation in each case undermined the formal democratic rights enjoyed by American and Soviet citizens. In the long run it led to a declining interest in, and participation in, electoral politics by the working class.

But for Martin, the mechanisms which in an earlier period maintained the conditions for accumulation remained intact long after they had outlived their utility in supplying the conditions for economic growth. They did so because they continued to service the interests of private groups, and those of their political allies in party governments and state apparatuses. These no longer enjoyed the ability to introduce the new measures necessary to generate the conditions for economic development in subsequent phases of capitalist development. According to Martin, they were unwilling and unable to remove investment decisions from private interests, and their replacement by what Keynes had termed the "comprehensive socialisation of investment" which he saw as the only means of securing an approximation of full employment."[12]

Paul Hirst offers an outstanding critique of representative democracy which corroborates at a theoretical level the historical analysis made by Martin.[13] The element in his essay which is important in the present context is that the control over official administration and policy initiation by an alliance of party leaders leads to secrecy and control over policy information. Secondly government is so big that it is difficult for either cabinet or party intent on bringing about changes to coordinate policy. Consequently, the British government is unable to undertake the reforms necessary to reverse its economic decline. "Between

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[12] Andrew Martin, Political Constraints on economic strategies in advanced inudstrial societies, *Comparative Politics*, October, 1977, 323-353

[13] Paul Hirst, Representative Democracy and its Limits, *The Political Quarterly*, 59 (2) April-June, 1988, 190-205

1963 and 1979 a succession of governments promised to modernise Britain." They failed, and so has Mrs Thatcher.

Heidi Gottfried's paper on the computer industry offers detailed analysis of the weakness of state planning in Britain, leading to a failure on the part of the British state to improve the economic performance of the country in general or the computer industry in particular. Although she locates her explanation at the level of the international political economy rather than in the state's own institutions, the attention she gives to this issue corroborates Hirst's broader argument: No comprehensive planning apparatus; ad hoc innovations; weak institutional connexions between state planning and the Treasury and Bank of England; conflicts between agencies; policy changes with each change of government.[14]

Corporatism

One of Hirst's proposals, widely echoed in the current literature, was to develop corporatist structures, but not to abandon representative ones. In essence, coporatism involves the effective representation of, and participation in government, of what Victor Magnagna terms "strategic actors", of which big business and organised labour are the most important and characteristic. Corporatism is is the logical institutional framework for the development of the process of concertation referred to earlier.

Victor Magagna argues that the essence of corporatism is a politics of representative efficiency.

> Its "genius" or virtue is to attempt to literally represent the preconditions of economic stability in the core arenas of the state. Corporatism is the search for an architecture of institutions that will bind together strategic actors in a permanent network of bargaining, subject to public regulation. Corporatism also seeks to resolve economic conflict through direct negotiation rather than through marketplace coercion or political disruption...

He puts the point differently by arguing that corporatism is enunciated in a rule which would state that "in any conflict of interest groups one should support those interests whose joint impact on economic performance is greatest, and whose joint cooperation is most important for economic outcomes. He acknowledges the defect in corporatism: that it restricts the meaning of popular sovereignty to an interest in economic growth. But it could be argued that this defect can be remedied by envisaging corporatist structures as having their reach bounded by other institutional limits to those areas in which economic stability can be pursued.[15]

Direct participation

Representative and corporatist forms of participation serve important functions in a democracy: the former providing a public arena for political debate about broad policy and strategy; the

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[14] Heidi Gottfried, The internationalisation of Production, intra-core relations and the state: a case study of IBM and the British computer industry, *Political Studies*, 1986, 33, 387-405

[15] Victor V. Magagna, Representing Effiency: Corporatism and Democratic Theory,*The Review of Politics*, 50 (1988), 420-442

latter for economic policy-formation involving the "strategic actors" of the economy. But neither representative nor corporatist forms of representation resolve the central problem of democracy in a highly unequal society, in which a large proportion of citizens are very poor, marginalised and subordinated to the rich and powerful: How is a democratic hegemony to be constituted and maintained. This question cannot be answered in institutional, let alone constitutional terms, for much will depend on the particular circumstances of the transformation towards the establishment of the formal democratic institutions.

It is suggested that a third institutional form, that of direct participation in political, cultural, economic and social affairs by ordinary people via "non-strategic" bodies may provide ways to secure at least the active participation of groups effectively excluded from representative and corporatist structures.

Contemporary political theory is rightly sceptical of the political effectiveness of this form of representation in the context of the nation state. It might be claimed that direct participation is ineffective in securing access to any but the most limited forms of governmental institutions. Yet in some ways it is misleading and short-sighted to envisage the purpose of direct democracy to achieve direct inputs into *governmental* decision-making.

Anterior to that problem is the one of securing participation in the formal and informal associations, like political parties and trade unions, the participation of which in either or both representative and corporatist institutions is legitimised precisely on the basis of the voluntary support gained from their members. In other words, the interest in participatory democracy may lie in the capacity of direct particpation to counteract oligarchic tendencies in political parties and trade unions which have been observed since the serious study of political organisation was first undertaken during the nineteenth century.[16]

The strong state.

The lynch-pin of a social democracy incorporating these forms of representation is the strong state. Only a strong state, that is to say, one capable of achieving autonomy from particular interests, can work effectively to preserve personal autonomy *from* those interests, as well as preserving the integrity of political structures from corruption and patron-clientelism, and from authoritarian and arbitrary systems of government.

Indeed, there is considerable support for the case that only strong and autonomous states make possible the conditions for establishing liberal democracy, let alone a social democracy. But it is the social-democratic state in particular which is required to be powerful if it is to effectively pursue the objectives of democratic socialism.

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[16] The Nicaraguan constitution incorporates an interesting combination of representative institutions, designed to encourage political competition and debate, and partcipatory ones, intended to create the basis for the political hegemony of the poor and the marginalised. Cf Jules Lobel, The new Nicaraguan constitution: uniting participatory and representative democracy, *Monthly Review*, 39 (7), December, 1987.

Robert Fatton has made a critical analysis of the state in Africa which hinges around the problems of states whose ruling classes achieve direct control over the state without gaining hegemony in society.

In such societies, the state fails to secure the relative autonomy which, he argues, is the indispensable condition which make "reform possible, despotism unnecessary, and liberal democracy viable." Only a strong, relatively autonomous state is capable of organising and defending the long-term interests of the ruling class, even against the short-term interests of that class. This autonomy makes it possible for the state to "extract certain sacrifices from the ruling class and make certain concessions to popular classes".

The failure to achieve hegemony forces the ruling class to rely on the threat of direct violence, rather than their "moral, material and intellectual leadership. Politics is not consensual but Hobbesian, and the ruling class is dictatorial not democratic." Moreover in the absence of an autonomous state, these states are ridden with the politics of lineage and ethnicity, patron-client relations and the inevitable corollary, corruption.[17]

The strong state, in these terms, is the very antithesis of the arbitrary, repressive and corrupt state. It is the authoritative state, corresponding to Gramsci's conception of the hegemonic state.

The strong state cannot be constructed overnight. It is the consequence of a reciprocal process of interventions by the state which provide social and economic benefits which in turn generate support and legitimacy from among ordinary people. The most important interventions are those produced in the course of developing strategies of emancipation and empowerment. The rule which Pettit enunciated that the supply of emancipatory benefits should be in kind, universal and monopolistic was intended to serve the principal objective of equal dignity. But it can readily be seen also as a means of preserving the integrity of the state against the problem, all too real, that welfare systems in poor communities may become captured in a vicious cycle of corruption and patron-client networks. It is interesting that land reforms may work to undermine clientelist political structures and large-scale political violence, even in a country like El Salvador where it was introduced in order to generate some legitimacy for a regime which represented the landed oligarchy.[18]

There are, of course, dangers in the authoritative state. As Gordon Graham reminds us, arbitrary and despotic forms of rule, such as the tyrannies imposed by Idi Amin or Bokasa may be destructive, but they are too inefficient to impose a wholesale regimentation on society. It is the authoritative states, such as those of the

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[17] Robert Fatton, Jnr, Bringing Back the Ruling Class in Africa, *Comparative Politics*, April, 1988, 253-4.

[18] T. David Mason, Land reform and the breakdown of clientelist politics in El Salvador, *Comparative Political Studies*, 18 (4), January, 1986, 487-516.

Communist block, Khomeini's Iran, and Pol Pot's Cambodia which can succeed in this.[19] But that danger must be faced when it is reached.

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[19] Gordon Graham, *Politics in its Place*, Oxford, 1988, 190.