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Source: *Social Research*, SPRING 1962, Vol. 29, No. 1 (SPRING 1962), pp. 1-36

Published by: The Johns Hopkins University Press

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THE PUBLIC INTEREST: ITS MEANING IN A DEMOCRACY

BY ANTHONY DOWNS

SINCE its appearance, the political model in my book *An Economic Theory of Democracy* has been criticized—in this journal, among others—because it does not include any concept of the public interest.[1] The book's critics argue that a theory of political action based on economic principles and containing only self-interested actors cannot explain those crucial political decisions that are made by men acting for the common good instead of their own. In my opinion these attacks are partially justified by certain defects in my economic model of political behavior. However, I also believe that this model can be amended to eliminate its defects without any basic alteration of its nature. After such amendment the economic theory of democracy should prove a useful tool for placing the concept of public interest in its proper perspective in relation to real-world political behavior. In the following pages I shall attempt to prove these assertions.

Functions of the Concept

The term public interest is constantly used by politicians, lobbyists, political theorists, and voters, but any detailed inquiry about its exact meaning plunges the inquirer into a welter of platitudes, generalities, and philosophic arguments. It soon becomes apparent that no general agreement exists about whether the term has any meaning at all, or, if it has, what the meaning is, which specific

[1] For a statement of the economic theory of democracy see Anthony Downs, "An Economic Theory of Political Action in a Democracy," in *Journal of Political Economy*, vol. 65 (April 1957) pp. 135–50, and *An Economic Theory of Democracy* (New York 1957). The principal criticisms were raised by Gerhard Colm, "In Defense of the Public Interest," in *Social Research*, vol. 27 (Autumn 1960) pp. 295–307; by Martin Diamond, book review in *Journal of Political Economy*, vol. 67 (April 1959) pp. 208–11; and by A. Bergson, book review in *American Economic Review*, vol. 48 (June 1958) pp. 437–40.

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actions are in the public interest and which are not, and how to distinguish between them. In the face of this confusion, why is the term so often used? The answer can be found by distinguishing between the meaning of a concept and its functions. Many a significant concept is extremely hard to define in such a way that a large number of its users would agree on the definition. One reason it is so hard to define terms like love, justice, and power is that they refer to realities so fundamental and all-pervasive in our lives that we cannot encompass them in a few words. Yet everyone who uses such a concept has a notion of what it means, and employs that notion to order the events he encounters and to communicate his thoughts to others. The concept public interest falls in this category. Nevertheless it serves important functions in social life.

To appreciate its functions, let us first postulate a society made up of individuals who have identical preferences and identical views about the proper goals in life for individuals and for society as a whole. They also are free of excessive self-interest (that is, they do not weight their own preferences more heavily than those of others), are economically organized in a highly specialized division of labor, and live in a world with a normal degree of uncertainty and costliness of information. Under such conditions there would arise a need for a government that would at least (among its other duties) provide a framework of behavior rules for all citizens and coordinate those individual actions that could not be efficiently handled through decentralized decision-making processes like markets. The officials in such a government would make decisions by considering the good of society as a whole. Thus the public interest would consist of those government actions that most benefited the whole society. This is the basic definition that will be used throughout this paper.

In this imaginary society, where the values of the whole would not differ from those of any specific individuals, the public interest would have easily specifiable substantive content, and both the function and the motive of all government officials would be to

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make decisions in the public interest. Such a society would be in effect a single entity, and the functions of its parts would be defined in terms of the goals or purpose of the whole. In real life, individuals do not have identical preferences or identical personal and social goals, and are not free of excessive self-interest. Realistically, therefore, society cannot be regarded as a single entity. Nevertheless, social scientists as well as other citizens are often forced to conceive of society as a unit, in order to understand and discuss certain relationships between its parts.

In a democracy each citizen, in order to pass judgment on the performance of his government, whether he does so as voter or as lobbyist, must at least implicitly view its actions in relation to its proper function as he defines it. In this paper I assume that all citizens who adhere to a democratic system agree that the proper function of government is to act for the greatest benefit of society as a whole, even though they may disagree widely about what actions are best for it in any given circumstances. (In view of the democratic premise that all men are politically and legally of equal "ultimate" value, even those citizens who believe the government should act only for the greatest benefit of some particular individual, group, or class rarely advocate such a policy explicitly as the proper function of a democratic government.) Therefore, in judging government performance, each citizen tacitly assumes that society is a unit and has a single set of values that can be projected into the detailed determination of policy. The specific policies derived from this single set of values constitute the public interest as viewed by that particular citizen. In other words, *his* view of the public interest is represented by whatever policies he believes the government ought to carry out. Because no two people are identical, each citizen is likely to differ from the other in the set of goals he imputes to the government. Nevertheless, everyone implicitly regards some set of goals as proper to the government, and defines the public interest in terms of those goals. This explains why everyone talks about the public interest, but few agree fully about the particular policies it comprises.

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Viewed in this manner, the concept of public interest has three specific functions in a democratic society (we are here concerned only with its application to government actions, even though actions of private citizens, companies, or groups may also be judged as to whether they are "in the public interest"). First, it serves as a device by which individual citizens can judge government actions and communicate their judgments to one another. Second, since the concept implies that there is one common good for all members of society, transcending the good of any one member, appeals to the public interest can be used to coopt or to placate persons who are required by government policy to act against their own immediate interests. Third, the concept serves as a guide to and a check on public officials who are faced with decisions regarding public policy but have no unequivocal instructions from the electorate or their superiors regarding what action to take.

As regards this last function, there are many rules that the officials could conceivably adopt in such circumstances—for example, maximizing the chances that their party will be reelected. But no matter what rule they in fact use, they must be able to defend each decision on the ground that it is "in the public interest." This is true because each citizen judges the performance of government on the assumption that its function is to further the welfare of the whole society as he defines that welfare (selfishly or not). The official's defense must normally include showing a logical relationship between his decision and *his* definition of society's welfare. If the official's definition is sufficiently close to the definition of those challenging him, and if he can show a reasonable relationship between his decision and that definition, he can presumably satisfy their questions, even if his actual motive for making the particular decision had nothing whatever to do with the welfare of society as a whole. The necessity of defending himself in this manner checks each public official from totally disregarding the welfare of potential questioners. It also forces him to develop a concrete concept of the public interest which may serve

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him as a guide when other rules are not sufficient to determine the best action at a given moment.

It is worth noting again that these functions can be carried out regardless of whether the concept of public interest can be substantively defined in any way that would be agreed on by any large number of persons. Since the concept is extremely useful in public life even though there may be almost no agreement about what it means, we can expect it to remain a permanent part of the democratic political scene.

The concept of public interest is closely related to the minimal consensus necessary for the operation of a democratic society. This consists of an implicit agreement among the preponderance of the people concerning two main areas: the basic rules of conduct and decision-making that should be followed in the society; and general principles regarding the fundamental social policies that the government ought to carry out. Because the minimal consensus is so crucial in both political theory and the actual operation of societies, it is worth closer examination.

Every society operates by means of basic behavior rules that its members are supposed to follow. Such rules are necessary so that each person can predict the reactions of others to social situations with enough accuracy that normal interaction can occur without undue uncertainty and anxiety. The fact that not everyone always follows these rules does not invalidate their fundamental importance. Although the rules are ultimately derived from ethical values, in a democratic society the consensus usually concerns the rules themselves rather than the values underlying them. This is true because the same rule may be derived from several different ultimate values, and in a pluralistic society there is often considerable disagreement concerning ultimate values. Since the proponents of these differing values must live together they agree on certain behavior rules, which then become intermediate values in themselves.[2]

[2] Jacques Maritain presents a cogent statement of this view in his *The Range of Reason* (New York 1952) pp. 165–71.

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Among the types of rules that form part of this minimal consensus are those of personal conduct and those of political conduct. The first are derived from the general code of morality professed by most members of the society. In Western nations such rules are historically related to religious values like the Ten Commandments and the Golden Rule. This category also includes those rules that natural-law theorists would argue are apprehensible through natural reason. Rules of political conduct derive from the written or traditional constitution. Many attempts have been made to specify the minimum political rules necessary for democracy, but here I mention only two as examples. First, when the incumbent party is defeated in a legitimate election, it must relinquish office peacefully to the victors. Second, in some ultimate sense men are of equal value; therefore each citizen's preferences should receive the same ethical weighting as each other citizen's, and it is better for a majority to impose decisions on a minority than vice versa.

It should be pointed out that these rules are almost never written down together and identified as the minimal consensus, nor are they consciously and explicitly agreed to by a majority or even a sizable number of the members of society. Rather they are part of the basic culture that is passed on from generation to generation and constantly reinforced through schools, family life, churches, and other institutions engaged in enculturation and social control. In essence these rules constitute a "social contract," analogous to that which classical political theorists assumed to be at the root of each society, although this "contract" is only implicitly "signed" by each person as he absorbs its values in the process of growing up and living in the society.

Another part of the minimal consensus consists of a vague image of "the good society." This can be viewed as the type of polity that would exist if the behavior rules in the consensus were put into action, but it goes farther and includes certain policy principles—for example, "the government ought to do something

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to prevent serious depressions." At a given time it may not be clear just which principles are part of this consensus and which are simply widespread views, since the prevailing image of the good society changes considerably over long spans of time. Nevertheless, there must be preponderant agreement about the basic nature of social policy in a democracy if it is to function peacefully. Without such agreement the society cannot cope with its long-run problems, either because it cannot maintain sufficient stability of policy or because its policies are too indecisive. If the views of the citizenry are polarized into two or more extreme positions involving mutually exclusive policies, the electoral defeat of an incumbent party representing one extreme by an opposition party representing another will cause such a radical switch in government policy that civil war may occur. On the other hand, if no party can get a majority and a coalition has to govern, the coalition may be so paralyzed by its inability to obtain agreement on any one decisive policy that the problems it faces will get out of control. In either case the future of democracy is dim (postwar France offers an example of both these situations).

The above observations reveal certain important characteristics of the minimal consensus. In the first place, although some of the personal-conduct rules and political principles in it can be described specifically, much of its content consists of policy principles statable only in a vague and generalized form. Second, over the long run its content changes as new rules or policies become almost universally accepted and others are gradually abandoned. Third, even though a great many people may agree on general principles, there is almost sure to be a wide variety of views concerning how to apply those principles to concrete situations. Since many decisions that affect society in general—and therefore lie within the realm of the public interest—concern choices among extremely detailed policy alternatives, the minimal consensus underlying democracy cannot be used as a guide in making such decisions, except in a very general way.

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One central aspect of the minimal consensus must be explored further in order to clarify a fundamental question about the public interest. Essentially, the consensus embodies part of the basic value structure of a democratic society. If such a society is to be meaningfully differentiated from one that is not democratic, it must include certain "absolute" values within its consensus—certain types of behavior and of relationships between the rulers and the ruled not present in non-democratic societies. Admittedly, it is very difficult to pinpoint these attributes exactly, but if they are missing from a society's minimal consensus, it is not a democratic society (for present purposes it is irrelevant whether societies should be democratic, and whether there are certain social conditions in which democracy cannot function effectively or its normal procedures must be temporarily suspended). These indispensable "absolute" values are most likely to lie in that portion of the consensus concerning rules of individual conduct and political behavior, rather than in the portion concerning desired social policies.

Let us consider now the relationship between the minimal consensus and the public interest. It is clear that in any society a government policy cannot be in the public interest if it contradicts the elements of the minimal value structure that define the society as such. Thus in a democratic society no policy can be in the public interest if it violates that portion of the minimal consensus concerning the proper rules of conduct and political behavior in that society; if it did, it would threaten the basis of democracy. Of course, in any social system there are some who favor a different system, but theirs may be said to be "system-changing" concepts of the public interest, in contrast to "intra-system" concepts. In a democracy anyone who desires the continuance of a democratic society, and therefore participates in the minimal consensus concerning rules of individual and political behavior, must have an intra-system concept of the public interest, even if he advocates change in specific social policies (for example, a person can favor abandoning social security without really seeking to alter the

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basically democratic nature of the society). In this article I address myself only to the intra-system public interest in a democracy, unless otherwise noted.

With this definition in mind we can now deduce the following principle: anything that is in the long run detrimental to the majority of citizens cannot be in the public interest, unless it is essential to the protection of those individual rights included in the minimal consensus. This principle of long-run majority benefit follows from the principle of majority rule, which is in turn derived from the axiom that each man has an "ultimate" value equal to that of each other man. The principle of long-run majority benefit also provides the basic link in a democratic society between the public interest and the private interests of the citizenry. Some of its further implications will be discussed later.

The personal commitment to the continuance of the rules specified in the minimal consensus implies that each citizen is willing to sacrifice his own short-run interests to at least some extent if those interests require behavior or policies detrimental to the survival of democracy; in other words, he has a positive desire for the survival of the system. His commitment is not necessarily based on altruism; it can be simply an expression of long-run self-interest. But it must be widespread if the system is to survive both external and internal threats to its existence. In this respect democracy differs from totalitarian systems, which can survive even if the vast majority of their members oppose them. Moreover, the destruction of democracy by its members' excessive concentration on short-run self-interest can occur even when they do not prefer any other political system and would actually choose democracy over all other systems if faced with an explicit choice.

The preceding analysis provides the basis for several conclusions, which may be stated in summary form. 1) In a pluralistic society there are many different views about the ultimate values proper to individuals and society; hence it is not necessarily possible to obtain widespread consensus about these values. 2) Nevertheless,

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a preponderant majority of citizens agree on the basic social rules necessary for operation of a democracy. For the most part such agreement, represented by the minimal consensus, is necessarily rather generalized and vague, but it does contain certain specific "absolute" principles without which the democracy cannot exist. 3) Every citizen in a democracy has at least an implicit conception of the public interest, that is, a more or less detailed specification of how the government ought to carry out its function in society. 4) Since citizens differ widely in values and characteristics, there is a wide variety of conceptions of what the public interest consists of. 5) Each person may believe his conception superior to all others, but it is not possible for any citizen or government official to derive a single view that can be considered the one and only best conception of the public interest, because for this the ultimate values of the citizenry are too diverse, and the minimal consensus is too vague and imprecise. 6) Nevertheless, the political competition for office forces each public official or politician to develop some conception of the public interest by which he can, on demand, defend his particular official decisions. From the citizens' point of view, his function is to make decisions in the public interest, and therefore it is rational for them to require him to be able to defend his actions on that ground, even if they were in fact made by some other criterion. From the official's point of view, developing a public-interest conception and linking it to his decisions in a plausible manner is, at the very least, part of his struggle to stay in office through the support of a majority of voters; and in some cases the existence of such a conception may guide him in making decisions he could not reach by means of any other rule (such as winning office).

Content of the Public Interest

Up to now our discussion has focused mainly on the functions of the public-interest concept. But most of the controversy about the public interest concerns its specific substantive content—or at least how one goes about discovering its content. Here my

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approach makes use of the extensive analysis set forth by Glendon Schubert, whose book on the subject is devoted entirely to this problem.[3]

According to Schubert there are three major schools of thought on this subject, whose views can be briefly summarized as follows. First, the rationalist school believes that the public interest consists of "the will of the people," that is, what the government ought to do is what the people want it to do. Therefore the task of government officials is strictly a technical one: they should find out what the people want and then do it. The term "the people" is rarely defined, but it refers to at least a majority of citizens.

Second, the idealist school believes that the public interest consists of the course of action that is best for society as a whole according to some absolute standard of values, regardless of whether any citizens actually desire this course of action. Therefore the task of government officials is to be fully acquainted with that standard of values and to apply it to concrete situations by means of their own judgment. Public opinion need not be consulted, though it should be educated to understand the wisdom of the policies arrived at.

Third, the realist school believes that the public interest has no definable content per se, but that the term "in the public interest" can be applied to the results of certain *methods* of decision-making. This school in turn has three major branches. The "Bentleyan realists" contend, as Schubert puts it (p. 202), that "the public interest has significance only as the slogan which symbolizes the compromise resulting from a particular accommodation or adjustment of group interaction." In other words, the public interest has no ethical implications; it is merely whatever policies emerge from the struggle among pressure groups, no matter what decision-making method created them. The "psychological realists," on the other hand, believe that public officials are stimulated by the

[3] Glendon Schubert, *The Public Interest* (Glencoe, Illinois, 1960). I do not agree with Schubert's selection and use of the terms rationalist, idealist, and realist, but I accept them here for convenience.

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concept of public interest to take some account of the welfare of citizens not directly represented by pressure groups. Thus for them the concept has the "hair-shirt" function of modifying the pressure-group struggle somewhat, through the value systems of public officials. Finally, the "due-process realists" think that decisions are in the public interest if the method of making them allows all those who might be affected to have some voice in their formation. People will accept democratic decision-making as long as they feel they have a chance to influence policy in their own favor, even if they are not always successful in doing so. Therefore we ought to use such methods, because they maximize acceptance of the resulting decisions, and "the job of official decision-makers . . . is to maximize continuity and stability in public policy; or, in other words, to minimize disruption in existing patterns of accommodation among affected interests" (p. 204).

Schubert himself rejects all of these concepts as non-operational, and concludes that "political scientists might better spend their time nurturing concepts that offer greater promise of becoming useful tools in the scientific study of political responsibility" (p. 224). However, each of these schools has in my opinion some partial truth to contribute to our understanding of the public interest; therefore it is worth while to discuss each briefly.

While public opinion certainly has some role in government decision-making, the rationalist school places too much stress on that role. There are several reasons why government officials cannot in reality be guided by the "will of the people" in making most decisions. In the first place, most people are almost totally uninformed about most public issues, and therefore have no real "will" regarding what should be done. They may have generalized ideas about what "the good society" would be like, but these are rarely translated into desires for specific policies on the detailed levels where most decisions must be made. Moreover, even if people were informed enough to have definite opinions, they would most likely not agree with one another. As Duncan Black has shown, any decision involving more than one variable

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will almost certainly engender such diverse opinions that no one alternative will be more pleasing to a majority than every other one; that is, "circular majorities" will exist.[4] In such cases it is unclear which "will" of which people the government official should follow. Then again, it may happen that a majority of citizens have definite preferences, and agree on some policy, but the intensity of their preferences is not so great as that of the opposing minority. In such instances the majority might be better off if they let the minority have their way, and then exacted compensatory payment from that minority. Hence an enlightened public official may not follow a specific majority preference even when it exists.[5] Finally, because public opinion often lags behind swiftly changing events, the citizenry's preference for a given policy may be based on ignorance of what is really happening, as has been argued by Walter Lippmann.[6] Therefore, even if people know enough to have definite views, and most of them agree on what should be done, the policy they propose may still be the wrong one for better informed public officials to carry out. Clearly, these handicaps usually make it impractical for government officials to consult the "will of the people." Proponents of the rationalist view have apparently confused the minimal consensus underlying democratic government with the detailed public-interest conceptions called for in making day-to-day policy decisions. There is a "popular will" regarding the minimal consensus, but this consensus is in most cases far too vague to be a guide for detailed policies.

On the other hand, the rationalists are right that a government

[4] Duncan Black and R. A. Newing, *Committee Decisions with Complementary Valuation* (London 1951).

[5] For a discussion of government decision-making strategies see *An Economic Theory of Democracy* (cited above, note 1) Chapter 4. Further discussions of problems that arise from differing intensities of preference are presented by Gordon Tullock, "Problems of Majority Voting," in *Journal of Political Economy*, vol. 67 (December 1959) pp. 571–79; by Anthony Downs, "In Defense of Majority Voting," *ibid.*, vol. 69 (April 1961) pp. 192–99; and by Gordon Tullock, "Reply to a Traditionalist," *ibid.*, vol. 69 (April 1961) pp. 200–03.

[6] Walter Lippmann, *The Public Philosophy* (Boston 1955).

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policy that is "in the public interest" must in the long run be approved of by the majority of citizens because they believe it to be beneficial to themselves. Experience has taught people living in democracies that they cannot allow the officials to be the sole judges of whether their actions are beneficial to the citzenry; democracies were established precisely to avoid this situation. The citizens have empowered themselves to pass such judgment periodically by means of popular elections. In order to stay in office, government officials must periodically persuade a majority of voters to approve of their actions, either by shaping their actions to conform to a majority's preconceived notions of what should be done, or by altering the preconceived notions of enough voters that the policies chosen appear satisfactory. In either case the result must be a degree of conformity between "the popular will" and the decision of government officials, or a new government will replace the existing one.

Idealist theory, like that of the rationalists, provides no concrete guide for choosing specific policies in the public interest, but it does embody a significant insight into the government decision-making process. Idealists believe that government officials should perceive the proper course for government action directly from considering a set of absolute values. The crucial questions are thus what standard of values is the proper one, how a person translates such values into concrete policy decisions, and what kind of relationship exists between the decision-makers and the citizenry.

Apparently, idealists assume there is one set of absolute values that is "proper" for government officials to use, though they do not agree what it is. Some, like Walter Lippmann, attempt to link these values to concepts of natural law. In our pluralistic society, however, this assumption again seems to confuse the minimal consensus with the more detailed content of the public interest. As was pointed out earlier, the minimal consensus does contain a set of personal and political behavior rules that are "absolutely" necessary for the functioning of a democratic political

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system. Therefore every citizen who places a high ethical value on the continuance of democracy rightly regards these rules as absolute ethical principles operative in the political sphere. However, many of these principles are relatively vague and generalized. Furthermore, in a pluralistic society it is not realistic to expect any consensus either on all ultimate values or on detailed policies (and even in a relatively homogeneous society some policy details will always be equivocal). The minimal consensus, since it includes only certain rules of behavior and generalized policies for social action, is insufficient to provide detailed direction for government decision-making. It is conceivable that officials will use for this purpose detailed "absolute" principles of their own concerning the welfare of society as a whole, but in such cases they are employing their personal ethical principles rather than any set of principles that the preponderant majority in the society recognizes as "absolutely" valid.

There are nevertheless important germs of truth in idealist theory. In the first place, when officials must use some type of decision rule not closely tied to public opinion, they must, as pointed out above, keep in mind the necessity of rationalizing the results in terms of at least an ostensible concept of the common good, since such rationalization may some day be required by the pressure of public opinion (in such forms as a congressional investigation, for example). Moreover, in those decisions that may to some degree involve the survival of democracy, the decision-makers are required by their own self-interest to implement that survival, and they are here acting in the public interest as well, since survival of the system is in the interest of everyone except revolutionaries. Finally, even though motives are not identical with functions, government officials are aware that their function is widely defined as action in the public interest, as is clearly attested to by innumerable statements from them. As a consequence, it is certainly likely that an official will in time develop at least a limited set of values with which to rationalize his actions, and in some cases he may actually reverse his normal decision-

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making priority and derive policy directly from these values. In fact, as he develops a more elaborate set of values with which to rationalize, it may become difficult for him to decide when he is rationalizing and when he is actually basing his decisions on these values.

The above reasoning implies that there is at least a little bit of idealism in every government decision-maker; that is, at least some of his decisions (conceivably most or even all of them, but at least some) are based on a direct application of absolute values in a manner corresponding closely to idealist theory. This conclusion is especially important in regard to the leadership function of government officials. An official, acting as a specialist in the division of labor, is usually in a far better position than the average citizen to know what alternative policies exist and what their consequences might be. In complex and rapidly changing policy situations, his information advantage may often lead him to perceive that a policy presently favored by the majority would in fact be detrimental to their real interests, whereas a policy they do not favor would in fact benefit them in the long run. Only because a government official has developed, however cynically, some concept of the public interest independent of current public opinion will he be able to make such judgments. Having perceived a discrepancy between what the majority now want and what will turn out to be best for them, he can do one of three things, each of which involves certain risks.

One course is to say nothing to change their views, and carry out actions consistent with those views. This involves the risk that the majority will eventually realize a poor policy has been adopted, and will blame him. Second, he can say nothing to change their views, but carry out the actions he believes consistent with their best interests. This course involves the risk that the majority will not realize what their best interests are, and will blame him for acting against their current views. Finally, he can attempt to change their views through information and persuasion, so that they will prefer the actions he believes best for

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them, and meanwhile carry out those actions. This also involves the risk that the majority will blame him, but the probabilities are different from those in the second case; the majority are more likely to recognize he is acting against their current views, but they are also more likely to change those views because of his persuasion.

The last of these courses embodies the function of leadership—a vital function for democracies threatened by hostile social systems or by internally disruptive forces. The ability to exercise such leadership demands that officials, no matter what their motive, have some concept of the public interest similar to that espoused by idealists. There is one important distinction, however, between this concept and the idealist view. Idealists state that the set of values to be used should be the one and only best set. In the process I have outlined, the sets of values are those conceived by each government decision-maker to be most effective in attaining his goals of keeping his conduct within the limits indicated by the minimal consensus and keeping the system going, and in following whatever additional decision rule he uses, such as getting reelected, avoiding public censure, or advancing the interests of a particular group. Hence, apart from the fact that the set of values he adopts must contain those "absolute" values in the minimal consensus necessary for democracy, there need be no way of telling whether the set adopted is the one and only best set. Only the ultimate survival of the system and popular approval in the next election (assuming he seeks reelection) can determine whether the values employed were "correct enough" to have accomplished these goals.

The third school of thought on public interest—the realist school—also contributes some valuable insights to our understanding of this concept. The so-called Bentleyan realists, who view the public interest as merely a slogan adopted by different pressure groups to disguise their own particular interests, are right in implying that each actor on the public scene is likely to advance his own version of the public interest, and that there is no a

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priori way to designate any one of these views as the one and only best. Nevertheless, there are times, as we have seen, when the existence of individual concepts of the public interest is extremely important in the successful operation of democracy. These individual concepts, derived from individual values, are what is stressed by the psychological realists, and such values of the decision-maker are indeed involved in the process of creating government policy, no matter what primary motive we attribute to him. Finally, the due-process realists argue, as we have seen, that a policy is in the public interest if it is arrived at through a process that allows everyone likely to be affected by it to have a voice in its formation —thereby making for the most peaceful possible acceptance of the resulting decisions. Thus they rest their analysis ultimately on the desirability of maintaining the continuity and stability of the system—in short, its survival. This point too was expressed above. Except in rare cases, however, detailed policy choices cannot be made on this basis. It is not often clear what choices will maximize the probability of long-run or even short-run survival of democracy; a given choice is likely to have some survival implications but a great many other implications as well.

Even after examining all three schools of thought described by Schubert, we cannot explicitly answer the question "What is the public interest?" in a way that everyone will agree upon. Nevertheless, the analysis illuminates the nature of the concept, and may serve as background for the exploration of a further question.

Public Interest versus Private Interests

Even the most fanatic idealist would hardly espouse some policy as "in the public interest" which did not ever benefit a single person, including himself. Thus, no matter what method is used in a given society for deciding which policies are in the public interest, every one of these policies must redound to someone's private advantage. For that person (or those persons), the given policy creates no divergence between private and public interest.

Nevertheless, each person plays a number of different roles in his

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social life, and each role involves a slightly different set of goals from each other role. Hence even within the mind of a given individual there may be significant "conflicts of interests," because the goals of his different "private" roles are inconsistent. Even within one role he may experience conflicts between short-run and long-run private interests. Thus, for each person, merely deciding what his own private interest consists of may be an exceedingly difficult task. He has to weight the importance of different sets of goals implicit in each of his roles by means of some ultimate standard, which economists have labeled his "utility function." In essence, each person faces within himself the same type of problem faced by society as a whole: the reconciliation of conflicting interests among different viewpoints so as to achieve one effective policy for each issue. If he is a rational person he has, however, one crucial advantage over society as a whole: a single set of ultimate values by which to judge the importance of his various roles. Even if this standard is not explicit in his mind, he creates an ad hoc version of it by arriving at policy preferences (in so far as he is not completely apathetic about policy).

Thus, in regard to any particular issue, each person can identify the government policy he believes to be most beneficial to his "private interest," by choosing whatever alternative appears to give him the greatest net gain in utility in light of all his private roles in society. In contrast, his "pure" view of which policies are in the public interest is in theory based on the values appropriate to only one of his roles—that of citizen. In this role, under my definition, he views society as a unit so that he can consider its functioning in relation to its overall goals *as he perceives them*. He does not weight any one part of the society (such as himself) any more than any other part, for such weighting, however appropriate to his other roles, is by definition inappropriate to a citizen qua citizen. His personal values influence what he believes to be the proper goals of society seen as a unit, and, as we shall see presently, even the role of "pure" citizenship is not entirely divorced from self-interest, but the fact remains that as citizen he

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regards society as a whole instead of himself as the appropriate focus of concern.

This analysis of how each person determines his own private interest and his "pure" view of the public interest is of course a theoretical abstraction, not a literal description of the thought processes of real persons. Nevertheless, if the ideas of private and public interests have meaning, they must be capable of formulation by individuals, and this process will necessarily resemble the one described—at least in structure, if not consciously. We may say, therefore, that it is possible for a man's private interests to diverge from his "pure" view of the public interest even if he has perfect information about real-world conditions. The divergency is increased, however, by the cost of information, both in time and in money. Because acquiring information is costly, men are never fully informed about any issue: there is always more to know that might influence each decision. The resulting ignorance creates a potential gap between what a man perceives as private and public interests and what he would perceive them to be if he had perfect information. On the general principle that greater information normally enables anyone to make better decisions, this gap has certain characteristics and consequences that have an important bearing on political behavior, as I have tried to show elsewhere.[7]

One such consequence of ignorance is that it makes long-run considerations more difficult to perceive than short-run considerations. The world is so complex that far distant ramifications of any present action are usually much more difficult to predict than its immediate effects—which are themselves often hard to foresee. This inherent uncertainty about the future, which can be reduced but never eliminated by more information about the present world, causes people to weight immediate consequences, as opposed to ultimate ones, more heavily than they would if they had perfect knowledge. A second consequence of ignorance is

[7] Anthony Downs, "Why the Government Budget is Too Small in a Democracy," in *World Politics*, vol. 12 (July 1960) pp. 541–63.

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that men concentrate on getting information likely to have a high pay-off. Such data are those relevant to decisions that are of direct importance to the persons concerned, and that their views have some probability of influencing. The classic example is the tariff. Producers are always well informed about tariffs in their industry, whereas consumers, less vitally involved, are usually poorly informed about them. Furthermore, producers realize that very few persons are informed about their product, and hence feel they have a good chance of influencing decisions concerning it; this increases their probable pay-off from being informed.

The expected pay-off from knowing about the private interests associated with certain personal roles—particularly the income-earning role—is much larger than the expected pay-off from knowing what the public interest should consist of. In each man's role as citizen he is confronted by two facts that discourage the investment of many resources in obtaining information: first, there are so many issues that he cannot possibly be well informed on even a small fraction of them; and second, there are so many other citizens that the probability of his influence being significant in the final outcome is small. Therefore almost every citizen is much better informed about factors that impinge on his private life, especially on the way he earns his income, than he is about public affairs in general. This outcome stems not from any irrationality, stupidity, or lack of patriotism, but from an economically rational approach to the cost of information.

If most people are poorly informed in their roles as citizens but relatively well informed in their roles as income-earners, they are likely to make two different kinds of errors in judging what the public interest consists of. The first is selecting the wrong policies to achieve their ultimate goals; this leads to random variations from the "correct" policy, that is, the policy any given person would choose were he perfectly informed about the situation. The second kind of error introduces a non-random bias, because it results from each person's formulating his view of the public interest in terms of those things he knows best. This bias is

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commonly recognized concerning each man's view of his private interests. But the distortion will occur even in his role as a citizen, that is, even when he is trying to make policy judgments not influenced by his own particular economic or social interests, for his particular interests limit the kind of information he has with which to judge. That men cannot entirely escape from the bias imparted to their perception of reality by their particular locus in society is a well recognized doctrine in the sociology of knowledge.[8]

So far, we have discussed "conflict of interests" in terms of three divergences: that between each man's view of his private interests and what this view would be if he were perfectly informed (leading him to give excessive weight to short-run factors relative to long-run ones); that between his "pure" view of the public interest and what this view would be if he were perfectly informed (leading him not only to excessive concern with short-run factors but also to errors arising from ignorance and to undue stress on how policy affects those social sectors in which he is personally engaged); and that between his information concerning his private interest and his information concerning the public interest (leading him to misjudgments in his "pure" view of the public interest, both through lack of knowledge and through the bias imparted by his locus in the social division of labor).

Actually, none of these divergences is normally referred to by the term "conflict of interest" as applied to public officials. The common usage of this term denotes the possibility of exploiting the powers of office to further the official's private interest as opposed to the public interest as viewed by others (which may or may not coincide with the public interest as he himself views it). This type of conflict is obviously disconcerting to theorists who posit that officials are normally motivated solely by their zeal to carry out the public interest. However, in my model of government, officials are assumed to be normally motivated primarily

[8] The best known exposition of this view is in Karl Mannheim, *Ideology and Utopia* (New York 1936).

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by their own private interests, defined as gaining and enjoying the power, income, and prestige of office; therefore they are expected to act so as to further those interests. If their actions diverge too far from the concept of the public interest held by others (especially by voters), this divergence may affect their ability to stay in office, as was stressed above. Therefore the type of conflict usually denoted by the term "conflict of interests" has no special significance to our analysis.

But there is another type of interest conflict that is very important to this discussion: the divergence between one man's view of the public interest and other men's views of it. If each person's conception is biased by his particular locus in the division of labor, even when abstracted from his self-interest, then the more complex the division of labor becomes, the more will people's views of the public interest differ. Thus economic progress, by increasing the number of specialized points of view in society, diminishes the degree of unanimity about social policy that can be expected to prevail. If we assumed that each person espoused as his view of the public interest what was in fact his net private-interest position, this tendency toward differentiation among views of the "proper" social policies would become even more prominent. Everyone would then base his views of proper public policy not on considerations of the welfare of society as a whole as he saw it, but on considerations of his own private welfare alone. Whichever approach we uphold, it is clear that the tendency toward social differentiation caused by the division of labor lies at the root of the widespread disagreement about the public interest encountered in all modern democracies.

To be sure, economic progress also creates forces that mitigate its divisive effects. First, by producing increasingly standardized products and social surroundings it reduces the regional diversity so often found in "young" democracies. Second, specialization makes each person so dependent on the efforts of others that he cannot long withdraw his cooperation except under extreme stress; therefore he is relatively amenable to accepting government actions

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carried out in the name of the public interest, even if they are detrimental to his own private interests. Third, the greater the complexity of a society the more difficult it is for the citizens to keep well informed, and this very difficulty has a functional advantage in relation to the stability of the system. Most citizens are not able to concentrate their attention on protesting every government policy that harms their private interests to some degree, and the resultant ignorance prevents the sharpening of conflicts on relatively trivial invasions of private advantage.

Nevertheless, standardization, interdependency, and inescapable ignorance do not overcome all the problems created by the social divergency inherent in an intensive division of labor. To offset this divergency, a successful democratic society (one capable of passing the test of survival) must continuously indoctrinate its citizens with the values contained in its basic minimal consensus. They must be taught sufficiently similar intermediate values that their behavior, by and large, is consistent with the system. Such behavior must include willingness to make personal sacrifices to keep the system from perishing, adherence to a few basic moral rules, observation of the political constitution, and agreement on a vague set of policy principles. These values must be given enough moral force in the mind of each person that he usually overcomes the temptation always faced by every member of an organization: the desire to break the rules in order to procure some short-run personal advantage at the expense of furthering the long-run purposes of the organization, which are themselves ultimately beneficial to him. Men naturally tend to weight short-run considerations more heavily than long-run ones, and their own preferences more heavily than the preferences of others. These tendencies must be so resisted by moral suasion, backed by the threat of reprisal, that the basic rules predominate in the operation of the system, thus making behavior tolerably predictable.

Any description of a democratic system which does not include some mechanism for such self-perpetuation is an incomplete description. It does not explain why people within it keep obey-

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ing the rules that make it possible. This omission is, in my opinion, the biggest single failing of my own economic theory of democracy. However, it is not possible in this paper to describe all the social devices that would have to be built into the model to provide it with the means of perpetuating itself. Such description would require extensive theorizing in sociology, psychology, anthropology, and communications theory. Furthermore, given the present state of empirical knowledge about what social elements are necessary for democracy, it is by no means certain that this theorizing would lead to the creation of a viable structure. Therefore at present this deficiency in the economic model of democracy can be remedied only by simply assuming that some such indoctrination and enforcement mechanisms exist in each democratic society, and that they function successfully.

Implications for the Economic Model of Politics

The foregoing analysis suggests that the public interest, at least as a concept, plays an important role in democratic politics. Yet my analysis in *An Economic Theory of Democracy* rarely mentions the term "public interest," and certainly does not appear to assign it any key role in politics, either as a motive or as an instrument. Does this mean that the model in the book is fundamentally wrong, as its critics suggest? In answering this question I contend that the role of public interest as a concept is in fact dealt with at great length in the book, but under the name "ideology." Nevertheless, the book does not fully explore the role of the public-interest concept in government decision-making, as has been attempted in this article; hence the theories originally advanced in the model need certain clarifications. I believe that after these changes are made, the basic structure of the original model remains valid, both as a causal model useful for predicting certain types of behavior and as a heuristic tool providing insights into the relationships of the various parts of society.

In this article I have argued that government decision-makers form views of the public interest, at least for purposes of rational-

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izing actions actually decided on for other reasons. They do this because voters expect them to be able to rationalize their actions in this manner, and they must meet voters' expectations to stay in office. In *An Economic Theory of Democracy* it was argued that political parties form ideologies because some voters want them to do so. By studying ideologies instead of individual issues, these voters can save resources that would otherwise have to be invested in more detailed information. Thus in both cases, each government decision-maker formulates a concept of what ought to be done, not because he wants to carry out the policies embodied in the concept as ends in themselves, but because he finds it expedient to please voters by formulating this concept. (In my original analysis, the decision-making unit was the party rather than the individual official, since I assumed all individuals within the party had identical preference functions.)

True, there are some differences between my original concept of ideologies and the concept of the public interest described in this article. In particular, ideologies were conceived as relatively broad and general, whereas the public interest is conceived as very detailed. But no change in the motivation of government decision-makers is required to alter the original analysis of ideologies and apply it to the public interest as well. Thus the decision-making process described in the original model, in so far as it concerns government decision-makers, fits the analysis in this article very well.

But there are two other aspects of political action regarding which the original model does not so clearly fit the ideas developed in the present analysis. First, I have argued here that each individual citizen develops a "pure" view of the public interest based on seeing society as a unit and not weighting himself more than others; this was called his view in his role as citizen. It was also pointed out that he has a net private-interest position developed from all of his non-citizen roles, in which he normally does weight his own preferences more than those of others. But

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which of these views dominates his political decision-making, that is, his voting and lobbying?

Before answering this question it is necessary to consider the motivation underlying each person's role as citizen. Why should he develop a view of society's goals as though society were a unit, with no extra weight attached to his own preferences? The traditional answer is that such a "pure" view is necessary for good citizenship, and good citizenship is the duty of every person, because without it society would not work well, and everyone would suffer in the long run. Thus it might be argued that the ultimate motive for good citizenship, even for the most pious patriots, is the long-run self-interest of the individual. Carrying out his role as citizen is one of the many ways in which each person manifests his long-run self-interest; hence this role appears to have the same basic motive as the roles in which he considers his private interests alone. But if every person voted only on the basis of his citizenship role, self-interest in the traditional sense (the sense used to explain maximization of profits, for example) would not be operative in the political sphere. Instead, all disagreements over what policies are optimal would be explained solely by the fact that different citizens have different ultimate values, different positions in the division of labor, and different current information—not by any desire whatever on their part to further their own interests at the expense of others. This conclusion in my opinion so manifestly contradicts all political experience that I reject it outright.

A more plausible possibility is that the view of the public interest on which each citizen actually bases his political decisions is his "total net" position. That is, it represents the balance of all his roles, both private and public. In formulating this total net position he considers the "pure" view of the public interest derived from his citizenship role simply as one of the many views of proper government action he has developed from all of his roles. Since nearly all of his other roles are primarily private ones

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(that is, they represent his self-interest), the ultimate view of the public interest on which he bases his political actions represents the "pure" view he has developed as a citizen modified by the views he has developed to meet his private needs.

At first glance this conclusion leaves us in the dark about whether to predict each person's behavior from what appears to be his private interest or from what appears to be his "pure" view of the public interest. Apparently we cannot make any predictions about his political behavior at all, except in those cases when his private interests and his views of the public interest coincide. Much of this ambiguity can be removed, however, by specifying certain circumstances in which his "pure" view of the public interest is likely to determine his behavior, and others in which his private interests will probably rule. Each citizen's "pure" view of the public interest will probably influence him most strongly regarding the following types of government decisions: those on which survival of the system clearly hinges; those that only remotely or indirectly affect his own private interests; and those in which certain policy choices clearly involve abrogation of the rules specified in the minimal consensus (for example, whether to vote for an official who has accepted bribes to overlook faulty construction of schools). Conversely, private interests will probably determine each citizen's political action regarding those policies that have a direct effect on his income, his working conditions, or some other activity with which he is intimately associated (for example, schools and maintenance of property values).

Between these extremes it appears difficult to say, a priori, which considerations are most likely to influence his political action, since there are many policies that involve a mixture of effects on survival, personal income, and the rules of the basic consensus. Nevertheless, the analysis can be extended further. As pointed out earlier, citizens are best informed about those policies that directly affect their incomes, and worst informed about those with no direct effects on them, that is, those most likely to be remote from their own private interests. Thus each citizen will usually be most

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keenly interested in those policies regarding which his private interests will influence his behavior most strongly, and least interested in those regarding which he is likely to act in accordance with his view of the public interest. In judging the overall performance of the government or the promised performance of its opposition, he will place much heavier weight on policies about which his views are dictated by self-interest. Therefore, in the absence of any specific knowledge about each citizen's particular weights, it is more accurate to predict his political behavior by assuming he will act in accordance with his private interest than to predict it on consideration of his views about the public interest, except in cases clearly involving the survival of the system or its basic values.

This is, in fact, exactly the procedure used in *An Economic Theory of Democracy*. The only modification indicated by the present analysis consists of specifying two types of policy decisions about which we do have a priori indications that the citizen, in judging them, is likely to weight his view of the public interest quite heavily: those involving either survival of the system or clear abrogations of the rules in the minimal consensus. In all other matters we will attain the best results by assuming that voters act in accordance with their self-interest. Again I point out that self-interest is not narrowly defined; it can include highly altruistic behavior that an individual believes he ought to undertake, even at his own expense. For most citizens, however, self-interest does imply that each person will weight his own welfare more than that of others in making decisions.

A similar modification of the model is required regarding decision-making by government officials and politicians. As citizens of the political system, they too have a stake in the continuance of the system—usually an extraordinarily high stake, since they support themselves by operating it. Therefore, in making government policy decisions, their "pure" view of the public interest will tend to prevail over their private interests in regard to the same classes of decision that affect other citizens in this way:

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decisions on which survival of the system clearly hinges; those that only remotely affect their personal interests, because considerations of votes give no clear imperative for any one policy choice; and those in which certain policy choices clearly involve abrogation of the rules in the minimal consensus (for example, murdering opposition candidates). Thus modified, the model can explain such policy choices as President Truman's ordering United States troops to defend Korea, even though he undoubtedly realized that this act would cause heavy losses of political support for his party and himself. Since he believed the survival of the system to be at stake, he based his decision on his view of the public interest rather than on the narrower motives that *An Economic Theory of Democracy* ascribes to all government decisions. There are of course many decisions in which these modifying considerations are only partially involved, and it is difficult then to predict the weights the official will apply. And there are many in which purely political considerations are so remote or so evenly balanced that the decision can be made on the basis of what is then a residual factor: the official's view of the public interest. But in the absence of a priori knowledge to the contrary, one can safely predict that the official will make decisions on the basis of vote considerations except when the survival of the system or a gross violation of its basic rules is clearly involved.

It might be objected that these modifications of the model introduce an element of altruism into the political sphere, for if officials or citizens-as-voters give any weight whatever to their "pure" views of the public interest, they are not motivated by the same unadulterated self-interest that spurs profit-maximizing entrepreneurs and utility-maximizing consumers in economic theory —and in my original model. In other words, by postulating motivations and behavior in the public sector inconsistent with those operative in private sectors, the model exhibits the very fault it was designed to cure. The easy answer is to state that politicians and voters who act to save the system or preserve its basic rules are really also motivated by self-interest. For example, it is more to

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the interest of a politician to live under a democratic system in which his party is out of office than to keep his party in office for a while but then be forced to live under a non-democratic system; hence those who see an inconsistency about his acting here in accordance with his "pure" view of the public interest are merely confusing long-run with short-run motivation.

This answer does not, however, penetrate to the heart of the matter, for there is indeed a difference between private and public decisions. Every system of social behavior is based on a set of rules governing the conduct of its participants. If enough participants violate enough of the rules enough of the time, the system ceases to work. Yet every participant sooner or later encounters a situation in which he can make a short-run gain by violating some rule, and the only loss he sees is the contribution of this violation to the general breakdown of the system—which in most cases appears extremely small. A preponderant majority of the system's participants must be willing to resist such temptations most of the time if the system is to work. And their resistance must ultimately be supported by an ethical commitment on their part. The necessity of this commitment explains why all societies indoctrinate their members with such non-rational props as internal guilt and reward feelings to buttress the dominant rules. Such rules operate, of course, in private as well as public affairs, yet their ultimate protection lies in the sphere of the state, because the state controls the use of force. This is also the sphere of the public interest. Therefore any realistic consideration of politics must take into account the necessity for this non-rational commitment, and indicate that it in fact affects behavior at least some of the time.

Although this commitment can be interpreted as a form of self-interest, it is a form different from that assumed to operate in the private sectors of decision-making in traditional economic theory. It is supposed that private consumers and producers obey the law for reasons of self-gain and because it is enforced by the state, not because of any moral commitment on their part. Thus it is true that a new element has been introduced into the model by recog-

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nizing the existence of this commitment in public actions. But this does not mean that the model is thereby made either internally inconsistent or realistically inoperative. The amendment merely brings into the open the fact that every social system implicitly contains such a moral commitment, even if it is not overtly recognized—whereas this commitment remained concealed in the autonomous and unexplained government sector of traditional economic theory. Furthermore, I am not returning to the fallacy that *all* actions of government officials and voters are dictated by the desire to maximize social welfare, the public good, or some other synonym for the public interest. In fact, the central hypothesis remains that government officials set policy in order to win or retain office; the amended model merely recognizes an exception in those few instances where their moral commitment to democracy as a social system overrides their short-run self-interest. The distinction between motive and function, which differentiates the economic theory of democracy from previous economic theories of government decision-making, is retained.

A further point must be stressed. Just as recognition of a moral commitment in the political sphere does not necessarily introduce an inconsistent element of altruism, recognition of the weight of self-interest should not be construed as a cynical mandate to public officials to eschew any thoughts of the public interest in making government decisions. On the contrary, as a citizen I believe officials ought to use their views of the public interest as a major guidepost in making decisions, within the limits wisely imposed by the electoral system. I do not agree with Schubert that we should quit talking or thinking about the public interest merely because we cannot agree on what it is. My political model, however, is designed not to describe how men ought to behave, but how they actually will behave. Since I believe that men are inherently selfish to some extent, I have designed the model to take account of this fact. As social scientists we should analyze the world realistically so that, as ethical men, we can design social mechanisms that utilize men's actual motives to produce social

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conditions as close as possible to our ideal of "the good society." Failure to be realistic about human nature would lead us to design social mechanisms that do not achieve their desired ends. Conversely, abandoning ideals leads to cynical nihilism. I hope my amended model will provide greater insight into how to go about making the real world more like the ideal one.

Significance for Current World Politics

The purpose of this article has been to place the concept of the public interest in its proper setting in regard to both real-world democracies and theoretical models depicting them. It is my contention that the economic theory of democracy, as amended above, is a useful tool for perceiving just what role this concept can be expected to play in a democratic political system. However, the theory has been strongly criticized by Gerhard Colm (note 1, above) for failing to recognize the importance of leadership and citizen participation in a democracy. Colm argues that leaders take the initiative in developing programs they believe to be in the public interest, and then try to convince voters of this fact, just as entrepreneurs invent new products and then try to create a demand for them. In so far as such invention of policy involves survival of the system, it is consistent with the amended theory I have stated. The theory can even explain further innovations by politicians, if they are motivated by the desire to differentiate their political product from that of their opponents, thereby winning votes. Nevertheless, there is a significant difference between Colm's view of leaders who act in the public interest regardless of public opinion, and then persuade the public to approve their acts, and my view of leaders who are afraid to venture too far from the public's present views because they might lose votes.

Judging by the lack of imagination recently shown by democratic societies in combating totalitarianism and solving their own internal problems, I believe that my view is more realistic. One of democracy's basic problems today is freeing government decision-makers from the necessity of conforming their policies to

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the erroneous views of a public whose members have chosen to remain uninformed politically, because becoming informed is not economically rational.[9] We need to give our government officials enough independent power to tackle our basic problems with originality and initiative, without at the same time giving them enough power to develop a dictatorship. Colm is certainly right that we have a dire need for original and creative leadership. But, as I have stressed, the economic theory of democracy is designed to analyze the actual working of the system, not its desired working. Therefore this theory emphasizes the critical problems we face in developing the kind of leadership we need, instead of assuming we have already solved those problems and obtained that leadership.

As for citizen participation, the model admittedly paints a discouraging picture. It indicates that the rational course of action for most individual citizens is to remain ignorant about public affairs. And if public opinion is ignorant, and government officials are tied to public opinion in the creation of policy, the possibilities for successful solutions of our problems appear less than optimal. In traditional democratic theory, citizens participated in government by becoming well informed about current issues and expressing their views to their representatives, who then created policies that mirrored these views. Because the citizenry was well informed, the resulting policies were expected to be effective in meeting basic social needs. The model I have presented does not deny that better government (that is, closer conformity of government policy to the majority's real needs) would actually occur if everyone were well informed; in fact, it affirms this. But it also contends that the individual's moral commitment to the preservation of the system, though effective in getting large numbers of people to vote, is not likely to extend to the point where he spends a great deal of his resources becoming and remaining politically informed. Surveys of the amount of

[9] The question whether being politically well informed is economically rational (that is, efficient) for individual citizens is discussed at length in *An Economic Theory of Democracy*, Chapter 13.

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current information known to large numbers of citizens certainly support this argument.

Thus the economic theory of democracy points up the critical difficulties inherent in a modern democracy regarding leadership and citizen participation. It does not pose any easy solutions to these difficulties. In fact, its conclusions are quite alarming when they are contrasted with the nature of leadership and participation under totalitarian systems. The leaders of a totalitarian system possess many of the possibilities of initiative, flexibility, and capability of producing social sacrifice which our leaders lack. This is true for a simple reason: in a totalitarian system those who make the decisions calling for sacrifice do not have to make the sacrifices themselves or obtain the consent of those who do make them. In a democracy the ultimate policymakers—the voters—are also the ultimate sacrifice-sufferers, and thus it is natural for democracies to be more reluctant to adopt social policies calling for rapid change or individual sacrifice than totalitarian states. According to the amended economic theory of democracy, the average citizen is likely to make such sacrifices only when he feels the survival of the system is threatened. Since normally he is poorly informed, by the time he realizes that the system is being threatened, it may be too late.

Similarly, totalitarian states can utilize different and much easier methods of fostering individual participation. By such means as unitary control over mass media, giant rallies and meetings, national campaigns for public policy goals put over with the same enthusiasm and skill with which toothpaste and brassieres are sold in the United States, and constant reiteration of the individual's stake in social performance, a totalitarian government can produce in its citizens strong feelings of belonging and participation. Furthermore, attainment of these feelings does not require the citizens to become acquainted with the real complexities of political life, or to make any decisions regarding those difficult issues that governments everywhere must face. Although this form of participation seems a mere sham to those who want the citizenry

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to make final policy decisions, it can at least counteract the tendency toward apathy and social inaction inherent in the problem of rational ignorance. Here again, a totalitarian state has a tremendously greater capability of mobilizing its people into the kind of social action efficacious in solving many basic problems, particularly those engendered by rapid industrialization.

Of course, democracies have no monopoly on problems. Undoubtedly an analogous "economic theory of communism" would expose equally basic difficulties inherent in the operation of our rival system. Even if it did not, we would still prefer democracy, since the problems of democracy are the inevitable costs of securing its greatest benefit: a government responsive to the needs and desires of those it governs. But the high value we place on this goal should not blind us to the fact that it imposes on us certain handicaps in our current worldwide competition with totalitarianism. These handicaps are clearly illuminated by the economic theory of democracy. Because the first step toward insuring the survival of our system is understanding its real advantages and limitations, I believe this theory is a useful tool, however pessimistic its conclusions may seem.

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