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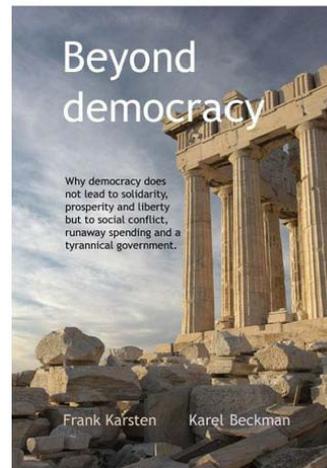
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Beyond Democracy: Why Democracy does not lead to Solidarity, Prosperity and Liberty but to Social Conflict, Runaway Spending and a Tyrannical Government

Frank Karsten and Karol Beckman

The government of the United States has frequently professed its deep and abiding admiration of democracy. According to President Barack Obama's National Security Strategy for instance, one of the objectives of American foreign policy is to promote democracy abroad. In fact, so convinced was the former President George W. Bush of the utility of democracy as a political system, that he ordered his generals to invade Iraq and depose the dictator Saddam Hussein at a cost of billions of dollars and thousands of innocent civilian lives.

In *Beyond Democracy*, however, Frank Karsten and Karel Beckman contend that almost everything the leaders of Western society have come to believe about democracy is false. Karsten and Beckman are not interested in offering platitudes supporting majority rule; to the contrary, they instead maintain that democracy is effectively socialism (collectivism) in disguise. They hold nothing back, suggesting that democracy is a system of governance that can be likened to totalitarian ideologies such as Nazism, fascism and communism, and is the opposite of liberty. "In principle, no freedom is sacred in a democracy," they write. "[E]very aspect of the individual's



life is potentially subject to government control... At the end of the day, the minority is completely at the mercy of the whims of the majority (p. 27)."

At a time when over half the countries in the world are democracies, and when prominent academics such as Francis Fukuyama equate democracy with civilizational progress,¹ the analysis contained in *Beyond Democracy* certainly goes against the grain. Freedom House tells us that, out of 195 countries, there are 118 electoral democracies.² In addition, when considering the countries ranked top ten in the world for economic freedom by the Fraser Institute, we find that a clear majority of six are democracies. Also, of the countries ranked top ten by GDP (purchasing power parity) per capita, five are democracies.³ In other words, half of the ten richest countries in the world — according to GDP measures at least — are democracies.

Yet Karsten and Beckman have come to bury democracy not praise it, and they do this by debunking a series of 13 'myths' that are commonly offered in support of majoritarian rule. To begin with, the authors attack the philosophical justification for democracy which suggests that it allows ordinary people to hold accountable those who govern them, by expressing themselves through the ballot box. The authors point out that the right to vote is not as important as we have come to believe, since in practice political parties are frequently beholden to rich and powerful interests:

Everyone knows that governments regularly take decisions that most people oppose. It is not 'the will of the people', but the will of politicians — prompted by groups of professional lobbyists, interest groups and activists — that reigns in a democracy. Big Oil, Big Agra, Big Pharma, Big Medicine, the Military-industrial complex, Wall Street — they all know how to work the system to their advantage. A small elite takes the decisions — often behind the scenes (p. 18).

Why are voters so powerless? There are at least two reasons. First, this state of affairs can be partly attributed to the problem of overly large electorates, and the consequent diminishment in accountability it brings about. While democracy may work reasonably well in small city-states, it faces distinct difficulties in a huge, impersonal electorate with tens of millions of people from varying backgrounds. In local jurisdictions, politicians can be expected to be closer to the people — layers of bureaucracy can be avoided in a city-state as compared

1 Francis Fukuyama, *The End of History and the Last Man*, Free Press, 1992.

2 Retrieved 14 January 2013 from <http://www.freedomhouse.org/sites/default/files/Electoral%20Democracy%20Numbers%2C%20FIW%201989-2013_0.pdf>

3 Retrieved from <<http://www.gfmag.com/component/content/article/119-economic-data/12529-the-worlds-richest-and-poorest-countries.html>>. I do not consider Hong Kong to be a legitimate democracy given its subordinate status to China, a communist authoritarian state (and neither does Freedom House, which classifies it as 'partly free').

to a national jurisdiction.⁴ In many democracies, thanks to the centralization of power, the politicians wielding the *most* power are also the *furthest* from the people and represent massive numbers of voters, making each vote worth comparatively less. But this problem would be greatly alleviated in city-states with a population of around 5,000. Indeed, the coziness of a city-state prevents things getting out of hand with respect to spending and taxes because “in a small group, people are restrained by social control, but with millions of voters that doesn’t work (p. 29)”.

Another reason accountability is diminished is due to the indirect nature of democracy. By relying on the election of representatives rather than utilizing the internet or other technological means to allow citizens to vote on every legislative proposal, citizens have less say than in a direct system.⁵ Voting has become a vague preference that politicians are only loosely obliged to follow, since there are no legal consequences for breaking an election promise. For this reason, the authors suggest that “[v]oting is the illusion of influence in exchange for the loss of freedom” — the probability of one vote making a difference is too tiny to be significant.

The ultimate solution to the illusory nature of voting is, of course, to put more power in the hands of the people themselves, rather than in the hands of an elite political class. The way to make ordinary people more influential is to remove many decisions — over healthcare, education and so on — from the parliamentary arena and instead vest full control in the hands of individual residents acting in the private sector.⁶ Karsten and Beckman are therefore in favour of greater decentralization, local control and secession. They cite Switzerland’s system favorably, and observe that it allows for citizen-initiated referenda (including on constitutional questions) and that the entire country is regionalised thanks to the cantons that play a role in day-to-day management.

Moving away from the topic of voting, Karsten and Beckman also find that democracy has broader detrimental effects on society, including on crime (“The democratic welfare state encourages irresponsibility and antisocial behavior”), educational and cultural standards (“[D]emocracy may be expected to lead to a dumbing down of the population and a lowering of general cultural standards”) and poverty (“Democracy doesn’t lead to prosperity, it *destroys* wealth”).

The authors courageously tackle the ‘holy grail’ of political science scholarship: the idea that democracies are more peaceful than other forms of government

4 Such as Australia, which has a strong federal government, weak state governments, local councils and in addition dozens of regulatory agencies at all levels.

5 A historical example of direct democracy is Athens around 500 BC, although there was no universal suffrage.

6 Their view certainly echoes Ludwig von Mises’ opinion that “[t]he market is a democracy in which every penny gives a right to vote”. See Ludwig von Mises, *Planned Chaos*, Ludwig von Mises Institute, 2009.

because they do not wage war upon one another. The democratic peace thesis is supposedly the most empirically tested proposition in all of political science, but here Karsten and Beckman dissent from this widely accepted assumption by citing several counter-examples of democracies fighting each other:

In ancient Greece democratic city-states regularly fought wars against each other. In 1898 the US and Spain fought a war. The First World War was waged against a Germany that was not less democratic than Britain or France. Democratic India and Democratic Pakistan fought several wars since 1947. The United States supported anti-democratic coups against democratically elected governments in Iran, Guatemala and Chile. Israel has waged wars against democratic countries like Lebanon and the Gaza Strip. Democratic Russia recently fought a battle with democratic Georgia.

Although their criticisms up to this point contain nothing objectionable, they head into dangerous territory when they start talking about the democratic peace thesis — dangerous because it is difficult to draw strong conclusions about empirical questions within the space confines of a short book. My only concern here is that an undecided reader would find the book's arguments lacking in detail and sophistication. Others have done a better job refuting the democratic peace thesis because they go further into the details of each case and address objections (for example, James Ostrowski⁷ or Christopher Layne⁸). For example, the authors do not make clear why they classify Pakistan as a democracy, despite the Democracy Index 2012 compiled by *The Economist* listing Pakistan as a hybrid of authoritarian and democratic regimes, and despite Pakistan's government being seized via military coup no less than three times (1958, 1977, 1999). It is possible they have a reason for doing so but this is not stated.

When speaking of the link between democracy and societal decline, their arguments are also distinctly lacking in detail, and this could be a problem for anyone seeking a comprehensive exposition. A closer inspection of contemporary democracies would have illustrated their points more convincingly. For example, with respect to democracy and crime a comparison of cases such as Australia — where crime is comparatively lower than in South Africa and the US — would have made the arguments stronger.

Beyond Democracy would be most useful as an aid to shake the layperson out of their complacency, and perhaps to inspire them to read more advanced texts such as Hans-Hermann Hoppe's *Democracy: The God That Failed* or Bryan

7 James Ostrowski, 'The Myth of Democratic Peace', Retrieved from <<http://www.lewrockwell.com/1970/01/james-ostrowski/the-myth-of-democratic-peace/>>.

8 Christopher Layne, 'Kant or Cant: The Myth of the Democratic Peace', *International Security*, Vol. 19, No. 2, 1994, pp. 5-49.

Caplan's *The Myth of the Rational Voter*.⁹ Although I agree with their conclusions for the most part, these are not the most impregnable arguments. Certain statements are expressed too confidently when what is required is tact, elaboration and a large amount of citations as authority for the proposition (at one point, the authors cite Wikipedia the user-contributed encyclopedia, which despite its strengths is not a reliable source; see p. 65). These weaknesses do not, however, mean the overall thesis is wrong. Democracy *is* basically overrated and needs serious re-examination.

All in all, *Beyond Democracy* is a refreshing breath of fresh air. The authors have done a great service in compiling the main arguments against democracy in an accessible manner. If more people read this book there is without question a positive future for realizing freedom. Human beings are not opposed to decentralization per se — it is just that they demand a high threshold before seeking to break away. For many people, whether rightly or wrongly, there is a belief that the benefits of large centralized unions outweigh the costs. Unless there is some urgent pressing reason, people prefer to tolerate the status quo. Thus the United States has remained a single political entity despite the War for Southern Independence (1861-1865), partly because of a consciousness of 'one American nation'. But Pakistan successfully split from India in 1947 and the Indian government decided to accept its departure probably due to an acknowledgement from both sides of irreconcilable cultural differences (in this case the clear division between Hindu Indians and Muslim Pakistanis). Hopefully an added impetus to the case for decentralization will be instilled among the public with the arguments in this book.

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9 But see Walter Block's review of Caplan's book in *The Journal of Libertarian Studies*, Vol. 22, 2011, pp. 689-718.