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## Five (Hypo)theses on Democracy and its Future

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### Introduction

Pondering the future of democracy at the end of the twentieth century and the dawn of the third millennium calls for reflection on past experience and evolution, on the utopias that paved the way, starting in the eighteenth century, for the creation of democratic societies.

Some centuries before our era, on a small territory with a limited population, a special form of government arose, that of the people of Athens. It is likely that similar or close forms had existed in other civilizations and other territories which were just as small. Ethnologists and anthropologists have not failed to discover and analyse numbers of egalitarian micro-societies practising forms of pre- or proto-democracy. But Athens is unique, from three viewpoints: its democratic history goes hand in hand with the apogee of a brilliant, sophisticated civilization; and moreover, its practice was thought through, reflected on, and debated by the most outstanding minds in the Polis. And finally its posterity is incomparable, since from the fall of Athenian democracy to the American and French Revolutions, Athenian democracy was to constitute the sole referent for democratic thought. Until the age of the Enlightenment and its political accomplishment, the democratic model was incarnated in the society of Pericles.

The American Revolution and then the French Revolution constitute the second phase of democratic development. As the word "revolution" indicates, democracy was seen as a turn, a radical change. In Lincoln's celebrated formula, "government of the people by the people for the people" was established.

Already by the end of the eighteenth century, and throughout the nineteenth, the potentiality of these democratic revolutions was considerable: South America rid itself of its colonizers, and all the European monarchies were shaken by the new ideas with the exception of Great Britain, whose democratisation resulted from a

slow, but constant process of political transformation. The spread of the democratic principle on a planet-wide scale is not, then, a new phenomenon. For at least two centuries now, the germ of globalization has been present. But the conditions for its expansion are quite different: first, because the democratic movement was conceived of first and foremost as liberation from internal or external tyrants and as a rather romantic enterprise of devolving power to a mythic people; second, because almost everywhere the democratic enterprise proved a failure because of manipulation of the people by leaders who appropriated power and set up new dictators "in the name of the people", or because old ruling castes took over the situation again; third, because the bringing in of democracy was regarded as incompatible with conservation of elements of the *ancien régime*. Symptomatic in this connection were the two revolutions in America and in France, which conceptually and practically could not conceive of the coexistence of democracy and monarchy. The introduction of one called for the elimination of the other.

Independently of these ideological struggles over the political *régime*, the nineteenth century was marked fundamentally by the social question. Increasingly, the search for democracy was identified with the need to integrate the wretched masses of workers. In one way or another, from 1848 to 1914, the problem shifted. For the masses, democracy was a possibility of acting to build a better future; for the elites in place - including those in the few societies regarded as democratic - the problem was that of controlling the "dangerous classes".

The 1914-18 war was the detonator for this new phase: the Russian Revolution of 1917 reflected these new aspirations, while the Western democracies sought to disseminate their model in the new states built on the ruins of the Russian, Austro-Hungarian and German Empires. The failure became manifest in several ways: first, because the European powers invoking democracy at home dominated much of the world through colonialism; second, because the United States were more concerned with their economic interests than with democratic development in their Latin-American backyard; third, because there came a monstrous coupling of the notions of popular sovereignty and of socialism, with a radical perversion of their meaning and their usages, leading to the Fascist and Nazi regimes.

On the eve of the Second World War the number of democracies as such could be counted virtually on the fingers of one hand: the United States, Britain, France, Belgium, the Netherlands, and the Scandinavian countries. And one could hardly fail to see that these democracies were extremely imperfect: race segregation still reigned in the United States, women did not vote in France, social rights were almost non-existent and fundamental rights often flouted.

The last stage in the process began in 1945 and was completed with the fall of the Berlin Wall just ten years ago in October 1989. This period was marked by the forced democratization of the old German and Japanese dictatorships, by the

strengthening and rooting of the European democracies, by the exhaustion of the myth of people's democracy, and by the multiplication of new States emerging from colonialism, all of them potential customers for political regimes competing on the ideological and institutional market.

It is during these fifty years of the second half of the twentieth century that the conditions were laid down that have for ten years prevailed, and constitute the new ideological and political landscape of the nascent twenty-first century: the indisputable supremacy of the market; the ideological monopoly of the Western democratic model; the growing globalization of material, financial, human and intellectual exchanges.

- The landscape is radically new, and the advance of change is exponential:
- 1790: Two or three so-called "democratic" systems, on which there could be much to question;
  - 1920: A dozen incomplete, imperfect, often fragile democracies;
  - 1950: A score of countries could claim to be democracies, on condition that the quality of that democracy was not looked at too closely;
  - 1999: The label democracy has become so dominant that only a few countries reject the forms and the rites of the Western model. Everything happens as if there were no longer any alternatives. As Ian Shapiro put it "for all of its problems, failures and ambiguities, democracy has won the day in the sense that it has no serious political competition in the modern world" (Shapiro 1966,3).

From this rapid summary of the evolution of the Western democratic "model", a few initial conclusions emerge that may be useful for analysing its potential development in the century to come:

- The model is becoming universalized. In any case, it has an unconcealed, sometimes indeed arrogant, pretension to universality.
- Its triumphal march goes hand in hand with the still faster and more radical expansion of the mechanisms of the market economy.
- The two phenomena are converging in a global movement of criss-cross, systematic exchanges, both international and transnational. The democratic phenomenon born in the national framework, and still rooted in it, is today developing in a radically new context, for which it is little or badly prepared.
- The democratic phenomenon is marked by its evolution, its deepening and particularly its perfectibility. The British, French and American democracies of today have little to do with what they were 50 or 100 years ago. The word remains, while the reality it denotes has changed.
- Like any political and social project, the democratic model is a mixture of reality and dreams, rules and utopias. Despite the many efforts at "disenchantment" which, from Schumpeter to Sartori, have helped to give a more realistic vision of what democracy is, for much of public opinion it remains a largely mythical

object, more in line with what the collective imagination believes about it than with its day-to-day functioning.

The modern world we have known since the fifties is still in place but its nature and content is changing. While entering into a new era, we do not yet know its future shape. Herman Van Gunsteren (1998, 36) refers to it as the march towards The Unknown Society that he contrasts with the previous period along the following dichotomy:

<u>Modern Societies</u>	<u>The Unknown Society</u>
National unitary culture	Creolization within global culture
Politics of emancipation	"Lifestyle" politics
Equality	Differentiation, difference
Organization, hierarchy	Reorganization, networks
Rationality	Rationalities "we are all natives now"
Fixed identity	Fleeting and multiple identities
Guaranteed representation	Problematic, ad hoc representation
The end of ideologies	Variety of lifestyles and convictions
Pragmatism in politics	Fundamentalism in politics

The old reality is still in place and the new one is not fully born. The challenge for old as well as for new democracies will be to adjust the changing conditions of its ideological and material environment.

### **The Ambiguity of Democracy**

As many authors who favour a realistic approach to the question have stated, "democracy is the pompous name for something that does not exist". The formula is provocative, and might sound like the expression of anti-democratic feelings. In reality, over and above paradox, the realistic approach aims at demythologizing the dominant vision by showing that democracy, which means literally government by the people, the demos, does not exist as such. No democracy is truly or simply a "people's" democracy. Power is certainly exercised by the people's representatives, but this elite is chosen and recruited according to varying procedures that express the reality of power. This role is held to be exercised under the control of the people, but we know how relatively ineffective, imprecise and limited that control is. In any case, even where that control is effective, the people can govern only by proxy. This situation sharply contrasts with the simplified, sometimes caricatural view of democracy that not only dominates public opinion as a prisoner of traditional schemas, but is also propagated by the media and by professional politicians.

Just as Lenin defined communism as "Soviet power plus the electrification", the Western world has too often asserted (and later accepted) that democracy was "parties + elections", as if the example of numberless dictatorships giving the illusion of superficial forms of democracy were not enough to warn us against these abusive simplifications.

In fact, democratic systems have since the outset - including the ancestral Athenian version - always been made up of a complex mixture. An indisputably popular element is what justifies and legitimates the system; connective, complementary or concurrent elements counterbalance the popular input. This second component was present from the origin of the American Constitution, since the founding fathers, while affirming the power of the people, were also fearful of the disastrous consequences that unbridled popular power might have.

Not having managed from the outset to achieve this "checks-and-balances" effect, the French experience proved much more chaotic and difficult. In fact the whole of the nineteenth century and the first half of the twentieth were marked by endeavours to conciliate and combine two currents of thought, two currents of opinion, that were radically incompatible in principle: on the one hand, the pure democratic tendency to give all power to the people at the risk of ending up with authoritarian or dictatorial deviations "in the name of the people"; on the other, the liberal current (today more usually termed "constitutionalism") that mistrusts all absolute power (whether monarchic or popular) and seeks to multiply the checks and balances and use power to put brakes on power. As US Supreme Court Judge, Justice Brandeis wrote: "The objective is not to promote efficiency but to impede the arbitrary use of power".

This second element has developed considerably in recent decades, particularly following the difficulties and sometimes collapse of democracies between the two world wars: it was with popular support and in legal form that Mussolini and Hitler came to power. Elsewhere, initial *coups d'états* were accompanied by the recourse to and manipulation of voting, as for instance in Franco's Spain or in the populist regimes of South America. Instead the German and Italian Constitutions are models of the complex mixture where suffrage and popular expression are counterbalanced by manifold mechanisms and institutions: Supreme Court, Central Bank, decentralization and fragmentation of power, etc.

The equation "democracy = people's power" must be replaced by a more sophisticated view. What we traditionally and readily call "democracy" is a system that closely blends democratic and non-democratic elements in combinations that vary in time and space, subject continually to an examination of their legitimacy before the elites in particular and the people in general.

This realist observation is crucial when we come to ask what democracy might become in the twenty-first century, in the age of globalization. Recognizing that

what we call democracy is in part people's power, but not only that, means that we have to ask about various dimensions of this mixture:

- What heterogeneous (i.e. non-popular) elements can be incorporated into popular power?
- What more or less optimal balance can be found between the demos and the factors that "block" and restrain it?
- What new instruments and institutions can be brought in to adapt "democratic" systems to the new national and international context they have to fit into?

I propose to consider these complex challenges we are, and increasingly will be, faced with by putting forward five (hypo)theses, as a basis for our thoughts.

**Thesis 1** - The absence of any alternative to the Western political model has eliminated external threats, but enhanced internal challenges. Democratic consolidation concerns not just the new democracies, but all democracies.

When the Western model was confronted daily with the existence of counter-models in both political and economic or social terms, this situation had a twofold impact: it acted as a salutary stimulus in a competition that was not just material but also ideological; and it also enabled certain failures to be forgiven or forgotten in the name of the hierarchy of problems. Better a democracy, even imperfect, than an authoritarian or despotic régime. As Churchill said, "democracy is the worst of all political systems, except for all the others".

The end of any serious competition or outside danger risks arousing indifference, apathy or anomie among the citizens. In Europe there is often talk of an American syndrome in this connection, stressing that Europe, on the model of the United States, is increasingly suffering from electoral absenteeism, absence of political participation and failure to understand the issues. But this hasty equation is undoubtedly false. While the United States have always been able to reconcile a low appetite for electoral participation with a profound attachment to the constitution and the political system, most other countries, in Europe and still more in the rest of the world, have a more unstable and fragile relation with the values of the democratic system.

The main challenge lying in wait for democracy in the coming century is not an alternative still to emerge and be conceived of, but the indifference of those regarded as being its *raison d'être*, namely the citizens. Another expression of dissatisfaction with the democratic system, unfortunately experienced between the wars, is the rejection of the moderate forms of the democratic system as we know them in favour of radical popular forms: populism in its most modest expression, extremisms of right or left. Democracy might thus remain the universal reference scheme while being seriously threatened here or there during localized crises. The solidity of the whole democratic edifice would then depend on a twofold capac-

ity; that of the international community to isolate and bring back to reason the straying country; that of the country or countries in question to take appropriate reform measures (cf. the recent examples of Greece, Argentina or Brazil, South Africa, etc). The risk will be the greater if collective issues have been taken out of politics to be dealt with in other arenas. To sum up, democratic consolidation is not a challenge that only new democracies have to face. Old democracies have also to adjust, to reform in order to better satisfy their citizens' aspirations. In that sense democracy is "an every day referendum" as Renan used to say about nation-building.

**Thesis 2** - Western-type democracy and the market are historically linked (even if not totally inseparable), and each claim universality. But democracies do not have suitable instruments for coping with a major economic and social crisis.

A crisis, though not foreseeable as to date and form, is nonetheless likely, failing a radical change in capitalism and economics that would allow us to contemplate a world from which crises would be banished. Since nothing at the moment justifies any such beatific optimism, it is best to take into account the blackest hypothesis. A priori, it might be claimed that democracies are in some respects better able to tackle a major economic crisis failing any credible alternative, or political or economic theory capable of replacing the existing creeds. The experience of the 1930s and the post-war Keynesian policies is also rich in lessons.

But against this optimistic interpretation one might emphasize that Western Welfare State systems have exhausted their capacities and their resources. Having extended to their limit, they are unable to give any more. Let us crudely confess: in the face of an economic depression that will be all the more devastating since the planet today is in a situation of total interdependency, there is not as yet any economic or financial "safety plan", still less political remedy, except the hope that lies in the clairvoyance of the elites and the wisdom or good sense of the citizens.

It should certainly be stressed that economic science and the ability to steer the economy have made enormous progress. However, it would be naive and testify to historical ignorance to think that in this area too we have come to the "end of history". Those long-term utopias, often lasting no longer than the polemics over them in the media, are of little use in guiding us.

From past experiences one lesson can, alas, be drawn: crises catch not just political practitioners unprepared, but also theorists and experts. It is often crises that give rise not just to new economic and social conditions, but also to new paradigms, new intellectual and practical instruments. What was yesterday unthinkable and unthought of suddenly becomes possible and feasible. These democracies' weakness is however also their strength. Democratic regimes are built up to deal

with uncertainty as they are concerned more about procedures and rules of the game than pre-designed policy outcomes.

**Thesis 3** - The major phenomenon of contemporary pluralist democracy is its enormous geographical expansion over the last twenty years. The trend is for the democratic system to evolve towards universality, but its forms must allow a diversity of models and enable cultural particularisms to be accommodated to.

The Western model of government has become almost the sole referent, on the same basis as technology, clothing, entertainment, etc. This evolution, inspired, desired and pushed for by the Western world, has often been assessed in simplistic terms. The press and politicians have often conferred patents of democracy on the basis of the existence of a formal and institutional minimum, generally the existence of a constitution, the recognition of parties and the holding of elections. On the basis of these few indicators, following the fall of dictatorships, hasty conclusions have been drawn regarding the expansion of democracy. Much might be said as to these hasty, interested legitimations, which lead to reducing the democratic system to its elementary forms more than its substance.

But the universalization of democracy, over and above its more or less artificial nature, raises one still more formidable problem: integrating not strictly democratic elements, according to local cultures, traditions and practices. Let me explain: one does not refuse to call Britain or the Netherlands or Spain democracies, although institutionally they are monarchies; nor is the title denied to the United States, though a number of states employ the death penalty, etc. In other words, though each democratic State has features that elsewhere might be regarded as incompatible with one pillar or the other of democracy (the popular or the constitutionalist one), one does not refuse on that ground to call them democratic.

The question for the twenty-first century and for the new States in course of democratization is then the following: how can the democratic principles invented by the West - but never applied in their total purity and integrity - be reconciled with elements of local culture or tradition? Up to what point can this mixture be regarded as democratic, and where is the boundary to be drawn between the "democratically imperfect" and the "unacceptably non-democratic?" An intransigent response by the West - as is all too often the case - ignores both the specific features of nations evolving towards democracy and the residues that persist in their own systems, in both the expression of popular aspirations and the recognition and effective protection of fundamental rights. The construction of democracy is a long path, a fight on all fronts, a continuous adjustment to new aspirations.

When Tocqueville wrote *De la démocratie en Amérique* a hundred and fifty years ago, he did not for a moment doubt the democratic nature of the United States. Yet



neither the President nor the Senate were elected by the people, protection of rights was imperfect, slavery was a current practice in the South, etc. The history of our countries teaches us that the process of democratic construction has been long, eventful and non-linear. Even if the recent period shows a remarkable acceleration in the processes (cf. the extremely fast democratic transformation of such countries as Spain or Portugal), our own past ought to teach us tolerance, patience, open-mindedness and imagination. We have to accept that many rules and institutions may vary from one country to another; that the meaning and scope of fundamental rights are themselves - despite their proclaimed universality - liable to variation, as illustrated, for instance, by the divergent interpretations of respect for life.

**Thesis 4** - Internationalization constitutes a major challenge for democratic systems, the birth and development of which went hand in hand with that of the Nation State. The democracy of the future will have to be able to reconcile the contradictions between its rootedness in the Nation State and the transfer of powers to universal but sectoralized authorities.

Let us say first of all that this dilemma takes various forms: first, globalization, i.e. the growing, rapid tendency to universalize problems and ways of dealing with them, in trade, the environment, transport, etc. Second, regionalization, which implies a more or less advanced integration of economies, of rules or of institutions - with the most advanced example being the European Union, whose success is arousing emulation in other parts of the world. Finally, transnationalism, resulting not just from ancient phenomena like religion, but also from emigration, the multiplication of NGOs and transnational pressure groups, or the birth of an international public opinion capable of challenging the choices or approaches of a given country (cf. the Amazon Forest in Brazil, apartheid in South Africa, etc.).

The most serious challenge, in connection with which thinking is least developed, lies in the growth of a twofold phenomenon: globalization as such (which though not new is becoming a major question because of its extent), on the one hand, and technical segmentation, the sectoral specialization of the agencies of governance, on the other. This second dimension is not just concomitant with or dependent on globalization, since it is also strongly developed within the Western Nation States (agencies or independent administrative authorities). But it is interesting to note that it is also emerging - and this is new - in the context of a globalization that is no longer only unilateral (conquest of the world by the colonialist countries) but multilateral, organized and institutionalized.

This twofold phenomenon leads to a considerable reduction of available policy options. The range of potential choices is reduced by external constraints but also by internal preferences for so-called non-political or apolitical organisations. It might be that the autonomous capacity of Nation States to act according to their own choices was an illusion or even worse, a rationale to pursue their objectives through

all means, including war. But this faith was in line with the mythical basis of State power, i.e. absolute sovereignty within its borders. National actors could pretend they were in control of decisions, free to choose among many solutions whose implications were subject to intense political debate. Today's situation is the complete opposite, as if politics, ideology, policy choices have not to be submitted to the external forces escaping the control of each nation but also of the international community itself. Past reification of actors (the State) has been substituted by a new form (the Market). This loss of influence is instead benefiting new authorities not subject to the democratic principle (namely, election or control by politicians), constituted on the basis of such principles as competence, expertise and independence, and functioning on the basis of legal or technical norms that escape political manipulation or intervention.

Whereas democratic politics are characterized by public debate, the globalization of issues (around more or less artificial poles like the Left/Right cleavage), trade-offs and transactions, the handling of problems by independent authorities or sectorial authorities are based on technical competence and the correct interpretation and application of norms from the "environment".

In itself this phenomenon is neither new nor revolutionary: except at the time of Galileo when the Pope decided on scientific questions, or in Stalin's USSR when science was a servant of ideology, it has long been accepted that scientific criteria cannot depend on an ideological or a popular vote (though a recent exception to this common-sense rule has appeared in the United States, where some schools prefer biblical teachings to scientific theories of evolution). The Hague International Court was another illustration of the attempt to deal with conflicts through law rather than through war.

But the new scope taken on by international or supranational authorities, the increasingly binding nature of their decisions, the pressure of international (or rather transnational) public opinion, the mobilization of ad hoc pressure groups from Greenpeace to Amnesty International or Transparency International, constitute an unprecedented challenge deployed in a twofold direction: not only does it, as we have already said, impoverish the space of democratic politics, but it contributes to shifting the solution of problems towards an - international, supranational - space not governed by the traditional norms of democratic systems.

The solutions to this challenge are not simple, since while there exists a national demos, a community of concerned citizens, there is no such thing for the moment at international level. The European Union is well aware of the problem - although it has not resolved it: it is itself increasingly having to face the famous "democratic deficit". To tackle this challenge, which will be the major one in the century to come, I feel we must again distinguish between the two pillars that uphold the democratic system: the popular and the constitutionalist one.

These solutions are easier to find in the second pillar, by applying at international level rules and practices already tried and tested at national level. They are called fairness, due process of law, rule of law, checks and balances, protection of rights, etc. Nothing of the constitutional pillar of Western democracy is inapplicable at international level, with some effort of imagination and good will.

Much more problematic, by contrast, is the construction at supranational level of a *demos*, a community of peoples and a means of expression for these peoples that are the object of international regulations, decisions and arbitration. The "League of Society Nations" has yet to be built, over and above the forums and institutions regarded as presently representing it. Even if the ideal or the utopia of the future may be the construction of an international society (thanks to the Internet?), the times are still far off when the international community can play the same role, *mutatis mutandis*, as the national community does in democratic systems.

Yet channels of thought may well be open. Let us first say that the democratic systems would perhaps be better termed pluralist. Their objective is to govern according to a method, the majority principle, while guaranteeing that this majority is neither oppressive nor totalitarian, does not hold all the power, and offers guarantees for minorities. Moreover, their organization is territorially grounded (local/national).

If we accept that recourse to direct universal suffrage is for the moment impossible (except, with the limits and with the problems that we know, at the European Union level) in order to identify the views and opinions of the international society, we must then work at an intermediate level, that of representatives of States. For the moment we shall confine ourselves to mentioning some broad lines of thought on this point, extremely delicate and difficult as it is. Given the absence of pure democracy since the "international people" does not exist as such, the aim should be to strengthen pluralism and favour de-sectoralization. Strengthening pluralism means evolving from an elitist conception, the practice of a club of the "happy few", to a more universalist procedure taking the interests involved into account. Contemporary international society is something like 1789 France, when individuals and groups were not entitled to the same rights, by which I mean that this is a world where only a few countries are in a dominant position. A multitude of followers has to accept the rules of the game laid down or imposed by the leading countries.

This sort of imbalance, which is in a sense in the nature of things and cannot be corrected except by procedural, institutional, political, etc. artefacts, cannot easily be changed. Though not democratic, international society would already be on the road to progress if its pluralism were protected and guaranteed in the way it is safeguarded within national societies. This presupposes the recognition of rights, the

development of rules and procedures, and the acceptance of derogations and protective exceptions.

Building a potentially democratic international system also presupposes, as with national politics, that the various problems to be tackled are not separated into watertight compartments. Democratic politics can only come into play if it has a capacity for transactions and trade-offs. This does not as yet exist at international level, except in one limited, ambiguous and often hypocritical area of the coupling of trade and human rights. The problem is that this link is for the moment more the outcome of the American policy that began with Jimmy Carter than of a collective effort, debated and adopted by the democratic societies acting together.

The example of the European Union is instructive and promising in this connection. Starting as an undertaking confined to the economy, the European Community was nonetheless endowed with embryonic political instruments that had the potential to become the instruments of democratic politics. The strength of the Community, and later the Union, lay in that mixture of institutions, in the progressive development of the two pillars, the popular and the constitutional one, in the transactional capacity of policy, in the growing territorialization of the sectoral and functional problems. It is undoubtedly utopian to think that the European model can be extrapolated to the whole universe. But more than "recipes", it is the spirit and the guiding principles that ought to be an inspiration for an undertaking whose scope could well take up a whole millennium. Kant's aspiration to lasting peace has been continually denied over the last two centuries by the most cruel and devastating wars. But the progress accomplished in the last fifty years, though neither decisive nor irreversible, makes the slow but progressive construction of a global but pluralist, heterogeneous but pacific, society less illusory and utopian.

**Thesis 5** - Globalization calls into question a number of concepts, perceptions and interests shaped by the historical merger between the Nation State and the democratic area. A new definition of democratic values (liberty, equality, solidarity) is inevitable.

- The coherence laboriously established between economic space, political space and social space is increasingly threatened. How can the political frontiers inherited from history remain the same when human, commercial and financial flows no longer take them into account? The phenomenon is already explosive in North America and Western Europe, but is incomplete because the cultural, linguistic and political structures are more resistant to change, if only because of their territorialization. There is, then, a growing gap between certain types of flows that in themselves can become, and are becoming, an issue for democratic politics. Until today, a political system was typified by bringing together and combining a number of properties which are today dissociated.

Political societies have changed in their nature. From closed they have become open; from sought or attained homogeneity they have moved to heterogeneity, whether accepted or not. There are only two alternatives: either this fragmented, composite character will find modes of consensus management (multiculturalism, national minorities, liberal pluralism, etc.), or else there is a great risk of the old national societies imploding in favour of more homogeneous societies, either at territorial level or at the level of specific groups and communities. If the link between groups and territories is first and foremost political, any weakening of that link is bound to bring centrifugal developments.

- In this connection, at least in Europe, the needful reform of the Welfare State constitutes a challenge that is not just economic or financial. I shall not here go into the question of the weight of welfare in national economies, which does not seem to me to be a problem as such. What raises a question is the mode of financing, administering and distributing a policy that cannot any longer be called in question in principle, only in the details. A single example may serve to illustrate the point: the European governments, rightly concerned at the growth of health costs and their funding, are right to wish to reform the system. But they are wrong to forget that, for instance in the United States, expenditure per head is higher while several million people are uncovered or virtually so. The purely financial or accounting arguments obscure the debate and prevent it from advancing.

The problem in Europe is that, much more than elsewhere, welfare was used to integrate the masses into industrial societies. Granting universal suffrage was often the first step towards building a democratic society. But the realization that the ballot paper was not enough lent more attraction to the prospect of social revolution. The European democratic systems are thus at the convergence of political and social rights. Calling the latter in question again would harm the system's very legitimacy - which does not, however, mean that all the corporatisms and social egotisms are entitled to indefinite perpetuation.

The debate on welfare is, then, welcome even if it is often poorly framed. It compels the raising of fundamental questions: what is its role, what is its legitimacy? What should be the place of local, national, international or generational solidarity? What is the desirable division of labour between public and private? What redistributive policy is possible, or legitimate, and in favour of whom?

Though this debate has been going on for some thirty years in the United States and more recently in Europe, the question is far from being solved. Even if the confusion and the technical nature of the problem often obscure the debate, the question of welfare in democratic systems calls into question almost all the old certainties: the division of labour between men and women, the distribution of profit between labour and capital, the sharing of income between direct and indirect

advantages, the trade-off between younger people's work and retirees' income, etc. Yet the discussions are rarely centred round these problems, tending to place the focus on the cost of welfare and the need to make serious cuts. The issue is thus reduced to a fight between pressure groups instead of a rethink about welfare as a component of democratic societies.

Other questions which are asked even less often concern the remoter but logical implications of the principle of solidarity that underlies welfare (if it is not to be reduced to a mere act of charity). First of all, if the principle of solidarity is itself called into question, then the role of democratic institutions as an arbitration body collapses: charity becomes a matter of goodwill, of kindness and of individual or collective initiative. The solidarity that entails authoritarian levies presupposes - at least in principle - a debate on the advisability and size of the transfers to be made, on the identity of the beneficiaries, etc. Solidarity implies a social locus: the family, the village, the political community as a whole. From this viewpoint it seems scarcely logical to allow the foreigner to benefit from community solidarity while refusing him access to the political community, say by granting citizenship and the right to vote.

Similarly, on the hypothesis of a democratic international community, it would be logical to strengthen the bond of solidarity within that community. For the moment, this solidarity is all too often hesitant or non-existent. There is some hypocrisy in calling, in the name of fundamental rights, for the banning of child labour or boycotting products produced by it, if we are incapable of furnishing effective aid, international solidarity to help with the problem of those children's nutritional survival. In this area more than others, international solidarity seems utopian, or reduces it to a few symbolic gestures. We can see all the difficulty of this in Europe, where no one wants to set up Europe-wide welfare for fear of giving birth to a costly bureaucratic monster. This does not, however, prevent transfer policies (notably territorial ones) from enabling poor countries or regions to be helped thanks to contributions from richer ones.

## **Conclusion**

Max Weber used to speak of the "European rationality of world domination". Today we should substitute "Western" to "European", but this semantic adjustment does not fundamentally change the nature of the problem. The Western world has been extraordinarily successful in imposing its paradigms, both in the economic and political spheres. There is no alternative to the market and to democracy. This overwhelming triumph, however, is displacing the debate and the challenges: the choices are no longer between these paradigms and opposite values or systems, but rather about the meaning and the content of these ideals and realities. A new horizon for discussion and choice is emerging because there is no general agreement about their meaning.

Market and democracy are flexible concepts, whose basic rules and principles have been accommodated over time and space according to the hierarchy of values, the national history, and the relationship between the public and the private spheres. The globalisation process which is taking place differentiates the market from the democratic space increasingly and is paving the way for new questions and challenges: how much diversity can markets and democracy accommodate in order to become, or remain, universal tools and values? How can we make sure that the expansion and deepening of market instruments are accompanied by a similar evolution of democratic rules and institutions? How much should democratic inefficiency markets accept in order to remain legitimate? What kind of relations (equality, hierarchy, subordination) should take place between the political and the economic? Should there be a triumph of politics or a domination of the market?

These are questions for which there is no easy answer. But there is at least one point on which agreement can be reached: in the end, the solutions will depend upon the superiority of the dominant paradigm. There is no doubt that the market and democracy are the victorious couple, but we have not yet decided which one of these twin concepts will have the advantage. Let me conclude by referring to one of the most influential minds of this century, whose views have been debated time after time - Keynes. In his *General theory of employment, interest and money* he wrote that "the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas" (1964, 383). These days, these Keynesian views have been challenged and often rejected on economics. There is nothing wrong with that. It is more problematic to have forgotten the other part of the message: that ideas do indeed count.

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