Efficiency between Aggregative and Deliberative Democracy

Simon Calmar Andersen & Jorn Loftager

Department of Political Science
University of Aarhus
Universitetsparken
DK-8000 Aarhus C, Denmark

Tel: +45 8942 1324/1286
Fax: +45 8613 9839
E-mail: simon@ps.au.dk; loftager@ps.au.dk

Paper prepared for presentation in the workshop
"Efficiency versus Democracy? Towards New Syntheses"
The ECPR Joint Sessions of Workshops in Nicosia, April 2006

Draft: Comments are welcome
Efficiency between Aggregative and Deliberative Democracy

Introduction
If recent years’ political ‘modernization’ (NPM) reforms are assessed against standards of both efficiency and democracy, puzzling problems appear. On the one hand, evaluation reviews cast serious doubt on the extent to which the reforms have in fact led to greater efficiency. On the other hand: although the introduction of the reforms has followed normal democratic procedures and although they have also been motivated by democratic concerns – in the sense of bringing public decisions closer to the citizens and creating more freedom of choice – critical voices have warned against an ongoing erosion of democracy.

It is beyond the reach of a single paper to consider these puzzles in any detail. What we attempt to provide here is a theoretical framework which offers a general diagnosis of the problem as well as suggestions for solutions that pay due attention to both efficiency and democracy. It is an overall idea that in order to improve our understanding on these matters it is vital to make an explicit coupling of sociological and democratic theory and at the same time employ a historical perspective. Although ‘democracy’ has denotations of a-historical validity the meaning, function and promises of democracy depend on existing societal conditions. More specifically we think that it is useful to delineate and combine two regulative ideals of democracy and two types of social differentiations.

We start by presenting a common conceptual distinction between two aspects and/or regulative ideals (Miller 1993) of democracy: aggregative and deliberative democracy. Referring to politics as primarily a distributional game of ‘who gets what when and how’ (Laswell), aggregative democracy takes individuals (and their preferences/interests) as its basic element. In turn, referring to societal problem-solving as the primary aspect of politics deliberative democracy takes arguments to be the atoms of democracy. We believe that the deliberative idea of democracy is able to cope with some chronic problems inherent in the notion of aggregative democracy but we also think that the significance of these problems and the tension between the aggregative and deliberative dimensions of democracy depend on the structural conditions of society.
On this point we proceed by expounding a basic sociological distinction in systems theory (Luhmann) between *stratificatory* and *functional* differentiation. Right away systems theory is about efficiency in the sense that it explains how the problem-solving capacity of modern society increases enormously due to extending processes of functional differentiation. However the theory has also democratic implications and it is our contention that the apparent tensions between aggregative and deliberative aspects of democracy reflect a growing predominance of functional differentiation.

We try to substantiate the relevance of the systems-theoretical approach for matters of both deliberative democracy and efficiency on the background of a brief account of some major results from a study of the public sphere and democracy in Denmark. Our thesis is that current democratic deficits must be seen in the light of an institutional and ideological set up that substantially refer to socio-structural conditions which are now withering away.

In sum we think that an important contradiction between a functional need of deliberative democracy and the ability of the political system to fulfil this need can be discerned. Therefore the paper finally raises the question if new institutional mechanisms might bring the working of the political system in better accordance with a politics of coordination under the conditions of functional differentiation, and thereby creating congruence and perhaps synergy between efficiency and democracy.

**Regulative Ideals of Democracy: Aggregation and Deliberation¹**

The strong consensus after 1989 on the institutional content of democracy – the basic institutions and rights of liberal democracy – has not been followed by a similar agreement about the deeper meaning of democracy. On the contrary, the ‘end of history’ has given rise to widespread discussions on its ‘regulative ideal’ (Miller, 1993) and especially the idea of deliberative democracy has got attention to such an extent that a ‘deliberative turn’ has been suggested (Dryzek 2000). Even though this idea is represented by several different positions (Elster 1998), they all focus on public reasoning and debate as the cornerstone of democracy. Likewise, the work of Jürgen Habermas serves as a common point of reference, and it is interesting to observe the expansion of the debate

---

¹ In this section we lean on a previously published article (Loftager 2004a)
that followed the translation into English of Habermas’ seminal analysis of the structural transformation of the public sphere first published in 1962 (Habermas 1989).

Deliberative theory is often outlined as a kind of third way between on the one hand a liberal, aggregate or ‘economic’ notion of democracy and on the other hand a republican or communitarian notion (Habermas 1995: 35; cf. Eriksen & Weigard 2003: 182)). In what follows we shall concentrate on a profiling of deliberative democracy vis-à-vis the economic conception because of the latter’s predominance in political science in general and its correspondence with New Public Management (NPM) in particular.

The phrase ‘economic theory of democracy’ was used by Anthony Downs as the title of his classic book of 1957 (Downs 1957). Here political man is identical to economic man. Voters are considered as consumers on the political market, choosing among commodities supplied by the political parties as producers. Parallel to the capitalist company’s motive of profit maximisation, ‘parties formulate politics in order to win elections rather than win elections in order to formulate politics’ (p. 28). In his likewise classic account, Schumpeter similarly states: ‘we must … start from the competitive struggle for power and office and realize that the social function is fulfilled, as it were, incidentally – in the same sense as production is incidental to the making of profits’ (Schumpeter 1976/1943: 282).

Lacking a real market mechanism in the political sphere, the basic problem of democracy on these premises is how to aggregate pre-given preferences in order to respect the principle of political equality – one man, one vote. And much of the debate within the tradition of public choice has been concerned with the question of constructing solutions to this problem of aggregation (Riker 1982).

However, the democratic ideal of mirroring is not limited to positions that (explicitly) share the economic man premises. It is a much more widespread ideal, also in the public at large, that democracy means fundamentally popular government in the sense that political decisions ought to reflect the will or the preferences of the people or – in practice – its majority. For instance, Robert A. Dahl in his definition of democracy points to ‘the continuing responsiveness of the Government to the preferences of its citizens considered as political equals’ (Dahl 1971: 1).

In spite of its prevalence, the economic theory of democracy has important limitations. On its own premises, the problem of aggregation is difficult and in principle impossible to solve, in the sense that there is no single voting procedure which can aggregate the preferences of the voters in an unambiguous and optimal way (Riker, 1982). So there happens to be a necessary element of
arbitrariness detrimental to the acknowledged values of democracy. Another limitation concerns the assumption of pre-given preferences. The problem is that the dynamics of preference-shaping and opinion-formation, which seem to count a lot in real world democratic politics, are excluded by definition from the democratic process. The ideal of mirroring makes up a third problem, because this ideal is not only generally appreciated, it is also highly contested. On the one hand, representatives should be responsive to the electorate and act according to its demands. On the other hand, populism, opportunism and ‘Gallup politicians’ are negative expressions, referring to quite another ideal of representation. A fourth challenge to the economic theory of democracy is that it makes no room for substantial, rational political reasoning and argumentation. Whereas the widespread existence of ideals of dialogue and rational political debate cannot be denied, it can be maintained, of course, that such ideals are illusions and that, in the last instance, politics is essentially a game of power and interests and/or subjectively chosen preferences that will only allow for self-oriented strategic behaviour and pure instrumental rationality.

Precisely on this point the contrast vis-à-vis deliberative democracy is evident and pronounced. According to this theory, the regulative ideal and basic promise of democracy is not aggregation of preferences. Rather, the ideal is that political decisions should be based upon public reasoning, discussion and deliberation. Political man is not identical to the man in the textbooks of economics; arguments rather than preferences make up the atoms of democracy. Preferences, interests, attitudes etc. are self-evidently there, but they are to be seen as results as well as starting points of political processes in which the force of the better argument ought to prevail.

Deliberative democracy is also different from the economic conception of democracy in that it involves the presence of a political community or citizenship: reasoning – as opposed to mere choosing – presupposes someone to reason with. Furthermore, that kind of democratic interplay forms a positive-sum game somehow similar, for instance, to a scientific community of researchers. Problem-solving is the primary aspect of both types of conduct (Dewey 1946/1927).

Regarding the question of political participation, we would like to stress that whereas economic theories of democracy to a large extent have focused on voting – in some cases just as an instrument of choosing among competing elites (Schumpeter) – the ideal of mirroring does not preclude extensive participation. “Voice” is also a way of expressing preferences, for instance, by means of user boards in public institutions or grass-root actions, which seems to be fully in accordance with the premises of an economic conception of democracy. On the other hand, deliberative democracy is not participatory democracy where participation is considered as something good in itself. The crucial thing is that everyone should have the opportunity of taking part in the processes of political
deliberation and reasoning, but in so far as one does not have any contribution to make, it is not a deed to demand an equal share of influence in particular policy processes. If preferences are not taken for granted and given equal weight it surely offends the individual. Otherwise in the case of arguments, which cannot demand any pre-given right to prevail. They are here to be challenged and contradicted. That is the way in which the individual is respected and gains recognition.

Likewise, the notion of deliberative democracy that we are trying to expound does not consider political representation as a necessary second best compared to direct democracy. The public sphere is not a forum of governance, and it can fulfil its undertakings of deliberation, enlightenment and debate only if there is a distinct and separate formal governmental structure including elected representatives (Habermas 1996). Similarly, the kind of ‘common good’ that corresponds to the claim of rational political decisions must be understood as an ironic, for the time being common good in the sense that the better argument will always and necessarily be the provisional better argument.²

Finally we would like to stress the difference between our conception of deliberative democracy and republican/communitarian interpretations. Whereas the latter holds that democracy presupposes a concrete ethically integrated community (Habermas 1995: 35) we think of deliberative democracy pragmatically as primarily a part of the overall process of societal problem-solving (Dewey 1946/1927). In accordance with Durkheim’s seminal distinction between mechanical solidarity and organic solidarity (Durkheim, 1984/1899) we find that deliberative democracy basically corresponds to the organic type of solidarity characteristic of modern society with an extended division of labour. In contrast to mechanical solidarity organic solidarity is not primarily an outgrowth of similar values and identities. Rather it assumes that individuals differ among themselves. The relationship between society and the individual is here a positive-sum game.

the individuality of the whole grows at the same time as that of the parts. Society becomes more effective in moving in concert, at the same time as each of its elements has more movements that are peculiarly its own. This solidarity resembles that observed in the higher animals - the greater the unity of the organism, the more marked the individualization of the parts ... we propose to call organic the solidarity that is due to the division of labour (Durkheim 1984: 85).

² ‘The democratic procedure no longer draws it legitimizing force, indeed not even predominantly, from only political participation and the expression of political will, but rather from the general accessibility of a deliberative process whose structure grounds an expectation of rationally acceptable results’ (Habermas 2001: 110)
The ‘common consciousness’ is not threatened with total disappearance. ‘But it increasingly comprises modes of thinking and feeling of a very general, indeterminate nature, which leave room for an increasing multitude of individual acts of dissent’ (p. 122). However, Durkheim adds, in one area the common consciousness has grown stronger, become more clearly delineated, viz., in its view of the individual. As all the other beliefs and practices assume less and less religious a character, the individual becomes the object of a sort of religion. We carry on the worship of the dignity of the human person ... (Ibid.).

The interesting thing about Durkheim’s theory in the present context is precisely this linking of community to the division of labour and the interdependencies related to it and thus constituting the basis for the individual and citizen who is the main actor in deliberative democracy.

The functionally differentiated society and its problems
Niklas Luhmann has shown how society can be perceived as a system of communications. Historically, this system has been differentiated according to different principles. Modern society is primarily differentiated functionally, meaning that societal systems differentiate themselves from each other by fulfilling different functions in society. Some of the major systems are politics, economy, law, education, love, art, science, and religion. As each of these systems gives primacy to its own function, there can be no hierarchical ordering. The political system can make collective binding decisions, but it cannot, for instance, ensure future supplies under the condition of scarcity. That is the function of the economic system. And, importantly, there is no privileged position from which the different functions can be evaluated. From the perspective of the political system, it seems obvious that a proposal is worthless if it cannot find majority support and ultimately be backed up by force. But from the perspective of the scientific system, no force in the world can make false premises of a proposal come true. Or, in an economic perspective, if it cannot be financed it will not be feasible either. This specialisation, this division of labour, increases the complexity that can be handled all together and thus makes up the basic source of the efficiency of modern society. The scientific system can handle more issues much faster if it is only expected to evaluate if they are true or false, and not their religious, political or educational aspects. Thus, the functional differentiation of modern society facilitates the production of goods and the solving of

3 The brief remarks here cannot do justice to the whole theory, which is developed in a number of books (see especially Luhmann 1984; 1997; 2000). In this presentation, we refer especially to Luhmann (1997: chap. 4, VIII). This sections leans on Andersen & Loftager 2005.
problems that would not otherwise have been produced or solved – and explains, from a systems-theoretical perspective, why this efficiency enhancement has evolved.

These considerations also indicate, however, that, at the same time, functional differentiation increases the dependences between systems. While ‘function’ describes a system’s relation to society as such, ‘contribution’ (Leistung) describes the relationship between systems. Function systems are dependent on the reciprocal contributions of other systems. For example the economic system needs the enforcement of contracts from the legal and political system. This contribution cannot be produced by economic means. More generally, to the extent that functional differentiation is realized, one function system cannot fulfil the function or deliver the contribution of another (Luhmann 1997: 743-48).

Communication in function systems is based on specific binary codes with a positive and a negative value. Examples are: superior/inferior power in the case of politics, having/not-having property in the case of economy, true/false in the case of science, and legal/illegal in the case of law. To codify communication in this way means, that all issues are seen in the perspective of this code. The scientific system, for instance, is made up of communications concerning what is true or false. What counts as true cannot be determined politically or by economic exchange. Large research grants may increase the chances of getting the required results, but the amount of the grant does not constitute an argument for truth in the scientific system.

It should also be mentioned that organizations exist as another kind of systems besides function systems. The elementary operations in organizations are decisions, and they can be made in the codes of several function systems. Thus, most organizations make economic, political, and legal decisions. However, most organizations have their primary anchoring in one system, e.g. courts in the legal system, universities in the scientific system, firms and banks in the economic system, states in the political system, schools in the educational system, etc.

If this description of modern society is valid, we can deduce important obstacles to political steering. First, political decisions condition the environment in which other systems are operating. The economic or scientific system must observe political decisions about e.g. taxation or how to share finances between different disciplines. In this way, the political system can influence other
systems indirectly. But it can only intervene in them directly by way of destruction. It can be
decided politically that certain statements should in all circumstances be regarded as true. A direct
intervention in the code of the scientific system would stop any further operations – but it would not
make the statement true in the perspective of science. Equivalently, it can be decided politically to
expropriate private possessions without economic compensation. That would be a direct
intervention in the economic code, but it would stop rather than contribute to the operation of the
economic system.

When the basic binary codes are mixed up in this way (superior power/true, superior power/having
property), destruction takes place at the cost of the advantages of functional differentiation. In
general, this is where morality sets in. Moral cannot be connected to one of the values of the basic
codes of the function systems. The political or the scientific system could not operate if it was
immoral to be in government (as opposed to opposition), or if it was morally inferior to pose a
theory that turns out to be false. But it is regarded as immoral if elected officials sell their decision-
making power for money, if convictions are decided politically rather than legally, if marriage is
ruled by religious criteria, if the Bible dictates the truth or political decisions, etc. If these examples
were the rule rather than the exception, the theory of modern society as primarily functionally
differentiated would be false. As exceptions they pose the first problem for political steering: How
to prevent destructions?

Second, the operation of one system may have negative external consequences for other systems. If
profit-seeking firms move jobs from one country to another, it may imply great legal and political
challenges which are out of sight from an economic point of view. Equivalently, the scientific
discovery of new medicines may pose great financial problems that have nothing to do with
whether the discovery is true or false, and consequently cannot be a primary concern to the
scientific evaluation (though it can be a concern for the scientist if he observes the issue in another
perspective). To the political system this raises the issue of how to co-ordinate the co-evolution of
function systems. A special case appears when the contributions of one system do not match the
requirements of others in which case the problems will often be raised in the political system.
Students are educated in the educational system, but their competencies do not always match the
demand in the economic system or their intellectual performance does not match the need of the
scientific system. Since systems cannot intervene directly in each other (except by destruction), it is
practically impossible to predict how potential changes in one system will affect the second, third or fourth order repercussions in other systems, which explains why simplifications are often used. Especially, the political system often demands that decisions should be made in order to change the contributions of other systems. Likewise communication also resorts to the economic system in the hope that money could buy what is wanted (cf. Luhmann 1997: 763).

In sum, when different systems fulfil different functions in society, the amount of complexity that can be handled increases dramatically, or, put less abstractly: Functional division of labour facilitates the production of goods that would not otherwise have been possible, and so it can be said to enhance society’s problem-solving capacity. However, this comes at the expense of central control of society. There is no longer any hierarchical principle to which all systems conform. This raises serious challenges for ideas of democracy as popular sovereignty, especially because the only way democratic politics can intervene directly in the code of other systems – that may have direct impact on all citizens – is by destruction, whereby it eliminates the benefits of functional differentiation.

This basically explains the usually suggested trade-off between efficiency and democracy. But this trade-off is only inevitable if democracy and democratic equality is taken to mean that all decisions should reflect an optimal aggregation of all citizens’ ex ante preferences. Quite another picture emerges in perspective of the above presented notion of deliberative democracy. The principal focussing on societal problem-solving by means of public reasoning and deliberation corresponds perfectly to the continuous need of coordination between different function systems. Phrased pragmatically in the words of Dewey: ‘Indirect, extensive, enduring and serious consequences of conjoint and interacting behavior call a public into existence having a common interest in controlling these consequences’ (Dewey 1946: 126).

As will be indicated in the next section this sociological approach also allows us to understand why deliberative democracy apparently doesn’t work according to the needs of functional differentiation just as it makes clear why NPM reforms may have severe difficulties in fulfilling its promises of efficiency.
Deliberative Democracy in Practice: Progress and Deficits

Habermas’ *Structural Transformation of the Public Sphere* from 1962 presented a very dark and pessimistic picture of the conditions and prospects of democracy following the tradition of earlier critical theory and Weber as well. Although welfare capitalism had managed to assure a basic level of social security for all it had been achieved at the cost of a viable democracy. The active role of the citizen had been replaced by the passive role of the consumer. The public sphere had been ‘re-feudalized’ in the sense that instead of controlling the political authorities from below the public was now object of control and manipulation by commercialised mass media and technocratic structures of decision-making.

In later works Habermas offers a considerably more optimistic outlook (Habermas 1992a) and first of all by learning from experience. The times that followed from the mid 1960s were in fact ‘a-changin’’ (Dylan) and to an extent that falsified the dystopian prediction of a totally controlled nightmare of technocracy. The new position, however, also is due to an important theoretical shift of democratic yardstick. Self-critically Habermas points to the weaknesses of a ‘Hegelian-Marxist style of thought, all wrapped up in notions of totality’ (p. 435), and he stresses how ‘the presumption that society as a whole can be conceived as an association writ large, directing itself via the media of law and political power, has become entirely implausible’ (p. 443).

A broad empirical study on *Democracy and the Public Sphere in Denmark* (Loftager 2004) which takes its theoretical point of departure in Habermas also rejects any picture of decay whatsoever. Looking back in history there is simply no golden age to be found (cf. Schudson, 1992). On the other hand the study also concludes that current trends point towards a growing (deliberative) democratic deficit. In several ways the role as a citizen has been put under stress in favour of a growing predominance of the roles of consumer and client respectively. This holds true for the last twenty years’ reforms of the Danish welfare system in which the principle of universalism has been partly substituted by a new workfare principle of ‘activation’. General rights and duties have been replaced by selective rights and duties which are defined – in the last instance – by the authorities and so challenge the equality of citizenship. Both in terms of (loss of) income security and private autonomy the result has been a principle weakening of the socio-economic condition of deliberative democracy.

A more immediate symptom of a democratic deficit is revealed by an analysis of important reform-making by means of political agreements on the budget (Loftager 2004: chapter 8). The point is that such agreements are typically made behind closed doors without the reach of the public. The analysis covers the period 1971-2004 and shows a significant increase in the frequency of such
reform-making. For instance several of the reforms which introduced the new paradigm of activation in welfare and labour market policies during the 1990s were passed along these lines.

Other parts of the study deal with the Danish media and party systems and their mutual interplay (chapter 6 & 7). Whereas an analysis of the variety of the news coverage in major newspapers since 1968 testifies that the variety in this period has become more rather than less pronounced at the same time it shows an increasing use of ‘news criteria’ and – especially – a growing concentration on the political game in itself – the tactics of politics. This corresponds with the results of an interview investigation of Danish MPs’ understanding of their role as representatives in theory as well as practice. While the MPs to a very high degree express ideals in accordance with the deliberative notion of democracy they also acknowledge important difficulties in realising these ideals in practice. Especially they stress how the working of the media makes substantially oriented public political discussions difficult and that the conditions for rational debate is much better behind closed doors.

**Deliberative democracy, efficiency and functional differentiation**

When (stratificatory) politics were primarily a distributional game of conflict between structurally delineated groups, the pursuing and aggregation of specific interests could go hand in hand with social problem-solving according to articulated political ideologies. In short the dynamics and so the ‘problems’ of society was first and foremost bound to group and class conflict and so there was a basis on which the tensions between the aggregate and the deliberative dimensions of democracy was able to move and develop.

For the same reason we think that Habermas’ (original) analysis of how the emergence of class politics eroded the basis for the public sphere has to be rejected not only in the light of the development since the 1960s. The fact that the ideal of deliberative democracy was there all the time - and also in the heydays of class politics - should not be seen merely as a phenomenon of ideology. For instance, although Danish politics was dominated for a long period in the 20th century by political parties that clearly represented basic social cleavages the social and political development of Danish society cannot be reduced to a game of opposing interests. The so-called ‘cooperating Danish popular government’ also represented genuine learning processes in which public deliberation and debate played a central role (Loftager 2004).
Fairly established political identities meant that engagement in political tactics of vote maximizing did not entail opportunism toward political substance. In other words, class politics evaluated the production of goods in other function systems according to their effects on the classes. This hierarchic ordering of goods enabled (rather) coherent ideologies, and consequently votes could only be won by arguing with reference to these ideologies.

Today, under the conditions of functional differentiation, politics of (re)distribution is still there, but the principal challenge is not aggregation of interests but coordination between autonomously working function systems beyond direct political control and sovereignty. Such coordination, we have argued, presupposes extensive public discussion and deliberation, which, however, seems hard to realize as present-day democratic politics is working. On post-ideological conditions ‘the doubling’ of society in state and society has become ‘practical true’ (Marx) – the political system like other function systems works autopoietically and it will observe its environment according to its own code of superior/inferior power or – in democracies – government/opposition. When function becomes the dominant principle of differentiation in society, external determinants of voter behaviour, especially position in the production process (workers’ parties), are gradually eroded. At the same time, the previously one-dimensional hierarchical ordering of the political game spreads out into multiple dimensions in the shape of policy areas reflecting separate function systems (school policy, health-care policy, economic policy, social policy) (Luhmann 1997: 773; Luhmann 2000: 117, 261). This indicates that political parties can no longer win elections by appealing to one or more of the coherent ideologies formerly particular to specific groups of voters. Instead, political arguments are invented continuously on the basis of focus groups, opinion polls and marketing specialists. This political practice still lives up to the conventional standards and ideas of aggregative democracy according to which parties formulate policies in order to win elections rather than the other way round, but it very easily falls short of the deliberative democratic ideals.

Following that line of reasoning, it becomes possible to offer a sociological account of the growing interest in deliberative democracy. On the one hand, it seems plausible to link the discontent about the present functioning of democracy to the predominance of tactics of the political ‘theatre’ above political substance. In turn, this tendency is connected to the dissolution of former ideological identities associated with structurally defined social cleavages. Whereas the adversary politics of class society proved to be compatible with the ideals of public deliberation, today’s consensus-politics seems to challenge these ideals. In the absence of predetermined identities, there is a constant search for visibility and attention which produces chronic opportunism and lack of public
credibility. At the same time functional differentiation makes democratic deliberation still more urgent in order to enhance the coordinating function of the political system and so the result might be deficits of democracy as well as efficiency.

Regarding the assessment of recent years’ modernization reforms and their prevalence this roughly outlined diagnosis offers possible answers to at least three important puzzles. One relates to the apparently poor results in terms of efficiency of these (efficiency seeking) reforms. To the extent that they rest upon a general logic of economic thinking they are associated with obvious pitfalls from a system theoretical point of view. The problems arise if attempts to make organisations work more economically result in destruction of the operational code of the function system in question.

Another puzzle concerns the fact that the modernization reforms seem to spread and multiply without largely any evidence of their likelihood of success in terms of efficiency enhancement. For instance the most comprehensive reform ever of local Danish government has recently been enacted in spite of the fact that virtually all experts have denied the existence of knowledge and evidence that might legitimize such a thorough reform (Puggaard 2005; Loftager 2006). This indicates how political decisions are made according to the logic of the political system and not – necessarily – in accordance with the knowledge of problems and solutions within the policy area in question. What matters on post-ideological conditions is immediate visibility and determination in order to catch the voters’ attention and support.

And here modernization reforms and their one-way logic of causality may seem appealing to both politicians and voters. The important thing is not necessarily evidence and serious substantial reasons but the right intentions, determination and one-liners on for instance the challenges of ‘knowledge society’ or ‘globalization’. Although the possibility of direct political steering of society is eroding as a consequence of functional differentiation the logic of competition of the political system tends to demand and reproduce an illusion of omnipotent political power. Faced with the complexity and autonomy of other function systems, however, the reforms easily come in short of both efficiency and deliberative responsiveness.
Deliberative democratic governance?

So far the argument seems to produce an insoluble paradox: because of functional differentiation deliberative democracy is both necessary and impossible. On the premises of the systems theoretical description the autopoiesis of the political system is here to stay and a realignment of groups or classes with matching ideologies is out of question. What is not in principle out of reach, however, is that new institutional arrangements might improve the deliberative democratic quality and the coordinating capacity of political decision-making. On the one hand different set-ups of democratic institution may make significant differences regarding the extent to which ‘tactics’ takes the place of ‘substance’. To give just one example Bruce Ackerman and James Fishkin have put forward a proposal for a new holiday in the USA – a so-called Deliberation Day – on which every citizen are invited (and paid for) to give meeting to local forums of political discussions before major elections (Ackerman & Fishkin 2004).

On the other hand and less speculative the emergence of ‘governance’ as self-organizing networks creating public-private coordination without recourse to formally elected bodies might form interesting possibilities in perspective of both ideals of deliberative democracy and efficiency (Andersen & Loftager 2005). At least regarding efficiency governance networks have been seen as a promising, though not infallible, alternative to state and market failures (Jessop 2003; Peters 2000; Peters & Pierre 1998; Rhodes 1996; Stoker 1998). The question is, however, if this potential effectiveness can be achieved in a democratic manner. At first the democratic potential of such is much less evident and serious concerns have been raised about the democratic implications of this mode of governing (Mayntz 2003; Pierre 2000; Scharpf 1999; Sørensen 2002) and empirically, we have seen the first studies investigating democratic criticisms of governance (Wälti, Kübler, & Papadopoulos 2004; cf. Benz & Papadopoulos 2005 forthcoming).

However, a general problem is that widespread conceptions of democracy judge governance networks undemocratic, *ex definitione*. Assuming especially an aggregative ideal of democracy decisions made in autonomous networks will lack any democratic legitimacy whatsoever because they do not represent a weighted average of the citizens’ preferences. In perspective of deliberative democracy governance networks are only undemocratic if their decisions ate not based on the provisionally best argument. There is indeed an obvious risk that networks will develop into closed circles of experts, bureaucrats and politicians and result in technocracy rather than democracy. As will be indicated below’, this is not necessarily the end result.
Systems theoretically, networks can be read as a special kind of organizations, namely organizations of organizations or, in short, meta-organizations. They will typically blend organizations with primary anchoring in different function systems. In that case, they ‘condense and make happen or enact [aktualisieren] the reciprocal irritations and allow thus faster and better-harmonized information acquisitions in the systems concerned’ (Luhmann 1997: 788; our translation). Consequently, the above mentioned problems connected to political steering in modern society, the uneven co-evolution of different function systems, can be countered by networks in ways that single organizations cannot because networks can intensify function system’s observations of each other.

Secondly, when decisions made in the code of one function system are challenged by multiple public spheres, i.e. when they are observed in the perspective of other function systems, the public spheres function as a mirror or more precisely, they allow for a second order observation of the system itself: The system can observe how other systems observe it (Baecker 1996; Luhmann 2000: 284-87). Again this is no panacea because it does not imply that one system takes over the perspective or codification of another system. But it will most likely increase the chances of the system in question to reflect on itself as one system in a world of function systems and ‘face up to the consequences’ (Teubner 1993, p. 68, cf. p. 97; cf. Teubner & Willke 1984: 6). So the best (or the only?) way for politics to facilitate a positive co-evolution of the function systems is to demand publicity in all spheres of society.

In other words, it seems plausible that networks, in general, can contribute to effective decision-making in modern society – especially if subjected to public scrutiny.

The appearance of governance networks in itself indicates the need of a politics of coordination, and the prospect is that these networks will ‘irritate’ the system communications involved and thus enhance the quality of their output to the environment. If this is to happen, it is crucial that the networks meet the standards of openness and transparency associated with deliberative democracy. In that case a synergy between democracy and efficiency might evolve.

4 Kreische (2003, pp. 111-13) argues that Habermas, but not Luhmann, finds that publicity will create rationality. However, as Kreische himself notes, publicity in the Luhmannian sense makes the political system observe how it is observed in its environment. If the system acts on this observation (gives it ‘operative significance’) it is operating rationally according to Luhmann’s own definition on system specific rationality (Luhmann 1984, pp. 640-1; p. 474 in English translation).
References


