

WHAT IS DEMOCRATIC ABOUT PROPERTY-OWNING DEMOCRACY?

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One of the defining features of the ideal of “property-owning democracy” is the central role played in it by the democratic principle to the service of which all social and economic institutions must be tailored. I contend that democracy should be understood as the ideal of a self-sustaining political procedure in which all conditions for equal political power are ensured (Isocracy). I identify 4 main sources of impediments to isocracy that plague contemporary capitalist societies: A) the lack of political competence and interest that derives from low economic and educational capabilities; B) the psychological dependence caused by economic precariousness; C) the oligopoly of voice in the deliberative dimension; D) the structural dependence of the State on Capital. The relevance and political attractiveness of POD rests in its ability to counter these impediments. I seek here to question in what ways and how effectively can POD address these impediments.

Keywords: Property-Owning democracy; isocracy; economic inequalities; political inequalities.

Uma das características definidoras do ideal da “Democracia de Proprietários” é o papel central que nele assume o princípio democrático, de tal modo que todas as instituições socioeconómicas a ele se deverão moldar. Argumento que a democracia deve ser entendida como o ideal de um processo decisório no qual se reúnem todas as condições para a constante obtenção de um igual poder político (isocracia). Identifico 4 principais fontes de obstáculos à isocracia que afectam as modernas sociedades capitalistas: A) a falta de competência e interesse político resultantes de fracas capacidades económicas e educacionais; B) a dependência psicológica produzida pela precariedade económica; C) o oligopólio de voz na fase deliberativa; D) a dependência estrutural do Estado face ao Capital. A relevância e atractividade da Democracia de Proprietários reside na sua capacidade para ultrapassar estes obstáculos. Busco questionar de que forma e com que efectividade poderá ela fazê-lo.

Palavras-chave: Democracia de proprietários; isocracia; desigualdades económicas; desigualdades políticas.

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0. Introduction

While reading and assessing John Rawls' Theory of Justice (1972) in the 70's and 80's, most authors, if not all, assumed that, when Rawls stated that the only sort of economic system compatible with his two principles of justice were market socialism and 'property-owning democracy', he did not mean to say that capitalism itself was being discarded. As it seems, they were mistaken (Krouse and Mcpherson, 1988).

Property-owning democracy ("POD" from here on) is not a synonym for a 'well-regulated-welfare-state-sort-of-capitalism'. It is actually intended to be an autonomous economic system. The exact institutions on which it must be founded, however, were left extremely under-specified by Rawls himself. Still, as a general rule, it might be said that such a system must be characterized by a radical dispersion of property and economic power, even though market rules will continue to be used as the main vehicle for resource allocation. We are also invited by Rawls to take James Meade's (1964) proposals as a good example of the sort of framework for society he himself had in mind when writing on the subject.

Another aspect of POD that is deemed central to the understanding of what such a society would look like is the role the democratic ideal assumes within this economic system. In other words, property-owning democracy, as a model of justice and as an economic system, would be instrumentally tailored to the promotion and protection of democracy as a specific and highly important political value.

This means, of course, that if we are to unveil more of what a conception of property-owning democracy entails institutionally-wise, particularly in terms of the economic organization of society and the distribution of rights and resources, we must first specify what democracy as a political value and as an ideal of politics stands for. Depending on the meaning or conceptions of democracy we are working with, the requirements in terms of institutions and economic background conditions necessary to "put it in practice" will vary substantially.

In this article, I suggest that the most adequate understanding of the democratic ideal is that of 'isocracy': a process of decision-making in which all conditions for equal political power are systematically met and continuously reproduced (Baptista, 2010)^[1]. Albeit procedural, this conception is

1 This definition of the democratic ideal as systematic equality in the political process is shared by many other authors, such as Robert Dahl (2006) and Thomas Christiano (1996), although they do not name it isocracy as I do.

far from “formal” – as most procedural notions of democracy are accused of being – and is by no means concerned only with aggregation, or the “aggregative dimension” of the political process. This is so because the term “political process” here comprises not just those electoral moments during which people enact and aggregate their political preferences – nor even the political campaign periods that precede it – but the whole continuous process that stands in between elections, during which deliberation occurs and in which preferences are continuously formed and reformed in response to new and deeper political information reaching citizens. Isocracy, then, requires that all the preconditions for political equality must be obtained and that their continuous reproduction is ensured in both the aggregative and deliberative dimension of the political process as a complex whole.

This seems to be in accordance with the evolution of Rawls’ own thought^[2], in which political equality progressively becomes a more central element in his conception of a just society - or at least the author becomes more explicit about it. In “Political Liberalism” (1993) he was very keen to insist – in a way that had not been seen previously in “Theory of Justice” – that one ought to ensure that the fair value of political liberties^[3] was obtained and as an illustration of its importance and meaning he made a detailed criticism of the Federal Supreme Court’s decisions. Later on, in “Justice as Fairness: A Restatement”, he considers that a fair value of politi-

2 This does not mean, of course, that Rawls would endorse many of the points made in this article concerning the requirements of political equality. Also, it should be noticed that, for the purposes of this analysis, I will not be presupposing here Rawls’ specific conception of POD, nor any other in particular - as the idea has no “intellectual owner” – but will identify it only as a set of conceptions that share the goal of enhancing equality through the dispersion of property and economic power. In fact, this article intends to show, among other things, that, once one recognizes the importance of ensuring “the fair value of political freedoms” - and regardless of accepting or not, as I do not, the full validity and relevance of Rawls’ theory of justice or his two principles of justice - and interprets them as a synonym for political equality (see note 3 *infra* for Rawls’ own interpretation of it), one ought, then, to recognize that any very moderate version of POD, such as Rawls’ own, due to its excessive reliance on the market as an efficient and roughly fair resource allocation device, is bound to be inconsistent with the preservation of said goal (i.e. political equality), given that the economic inequalities it produces are easily converted into political ones. My main purpose here will be that of investigating in what ways can a POD provide mechanisms to deal successfully with 4 kinds of obstacles to political equality that I identify further ahead. There are many conceptions of POD and therefore the answer to the former question will naturally depend on the particular conception of POD one holds and the specific policies it entails or allows for. I am indebted to both reviewers of this article for having revealed the necessity of making this clarification early on.

3 “Basic freedoms”, in Rawls’ Theory of Justice, refers to mere “negative freedoms” or the negative dimension of freedoms: i.e., the absence of deliberate obstacles (created by the state or other individuals) to the exercise of a given right. The “value” of a freedom regards what people could actually do or get with such freedom (positive freedom).

cal liberties is, after all, an equal value.^[4] In other words, a just society, one that genuinely follows his two principles of justice, and that must, therefore, take the form of either a POD or democratic socialism, ought to ensure political equality, or an equal ability to influence political decisions in society. While no society may fully reach such a stage, the ideal of isocracy can be used as an inspiration for democratic reforms and also as a measuring tool that allows us to assert the degree of “democraticness” any given society has achieved.

Once one accepts political equality or isocracy as what is constitutive of the democratic ideal, one is both entitled and capacitated to start answering in what ways, and to what extent, can POD strengthen or enfeeble political equality vis-à-vis contemporary welfare state societies. The question has no straightforward answer because there are multiple conceptions of what POD is and of what kind of policies it demands. Also, it is of fundamental importance to establish a previous and proper diagnosis of how social and economic inequalities exactly affect political equality. We now turn to this task.

1.

Among other obstacles to political equality that arise from wealth concentration and inequality, we may highlight some which are well documented and studied by empirical political science and which seem particularly troubling in modern capitalist societies.

- A) The poor and less educated segments of society systematically display significantly lower levels of voting and other forms of participation in political life be it involvement in civil society associations; attending rallies; signing petitions, attending and speaking at public meetings, etc. (Freeman, 2004; Verba, Schlozman and Brady, 2004) The reasons for this are legion and explanations are not (entirely) consensual among scholars. Still, lack of access to some fundamental social rights, such as universal quality education, is bound to affect the cognitive abilities which constitute the basis for the formation of stable political preferences or an “enlightened understanding” of one’s interests. These cognitive abilities are what

4 “The fair value of the political liberties ensures that citizens similarly gifted and motivated have a roughly equal chance of influencing the government’s policy and of attaining political authority irrespective of their economic and social class”. (Rawls, 2001)

make deliberation meaningful. Ideological coherence and political sophistication are highly correlated with educational attainment.

- B) On the other hand, some features of the socioeconomic system, namely the status of labour and labour relations, will inevitably affect the ability of those at the bottom of the social ladder to engage effectively in all sorts of political activity. Apart from the non-negligible effects of physical and psychological exhaustion from long work-hours and the all-consuming concern with “daily survival” that derive from an increasingly precarious and unregulated labour market, labour precariousness and weak unions not only weaken the bargaining power of both (at industry level and in the political arena), but may also make the exercise of democratic rights risky or difficult. Participating in a strike, a rally or a demonstration; organizing political groups or unions; being vocal about one’s political preferences, particularly when they are opposed to the interests or views held by the employer, all of these are hardly a prudent strategy when the threat of easy dismissal and unemployment is ominous and pervasive.
- C) Access to the mass media, which are the major source of (political) information for the great majority of the population (including political elites) and which, therefore, play a central role in how ideological and partisan preferences get to be formed, is distributed according to an extremely inegalitarian criterion under contemporary capitalism: “to each according to his wealth and income” instead of the democratic one, applied in the aggregative dimension, of “one man, one vote”. As the costs of owning and keeping major media outlets operating have soared – particularly with the advent of television – only states and those extremely wealthy are able now to establish and own them. This means that only they have actual direct access to the media. A strong “filter” through which information and ideology are syphoned has emerged and has become solidified. The deliberative dimension of contemporary polyarchies is now much more “oligarchical” in nature than aggregation. However, as many authors from the “deliberative democracy” current have contended, deliberation is at least as important as aggregation in a democracy and, in fact, it is the quality of deliberation that gives meaning to the choices being made by popular will. Mere “negative” freedom of expression is a necessary but insufficient condition for democracy to be obtained.

While it prevents blatant and active censorship of content by governments, it does not allow for a genuinely free and plural flow of information and communication, since editorial criteria work, even if inadvertently, as a form of censoring or constraining what data and information actually get to the general population.^[5] Only in an environment that allows for some form of “positive freedom of expression” can the deliberative dimension of a political regime become fully democratic. Any economic system which purports to be “democracy-enhancing” must address this issue, by expanding and equalizing the right to speech, or the right to inform and be informed, in a similar way to what happened previously with the expansion of voting rights towards universal suffrage.

- D) In representative polyarchies, the great risk to political equality that was early perceived was that of representatives becoming independent of their electors, distancing themselves from them and the promises made to them. This was thought to occur due to the easy and direct access that economic elites had to political officials when compared to the distance and lack of influence that characterized relations between the “common people” and “their” representatives. As it seems, this scenario is not only confirmed but rather aggravated under an economic system that allows for huge concentrations of capital and wealth in the hands of few people or organizations (Bartels et al, 2005, pp. 112 and 116). Electoral results are dependent, to a great extent, on the resources one may muster for political campaigns and these resources, as campaigns become more and more expensive, will be available only to those who are

5 Sheer economic (and other) interests of the owners of the media inevitably get reflected in the way their media frame issues and these are the single most distorting elements of the deliberative arena. As Ben Bagdikian (1997, p. 71) writes: “Owners hire and fire those who make the everyday decisions on content. It is a rare corporation that hires an influential executive known to be inimical to the owner’s heartfelt social values.(...) Most reporters and writers insist that they are never told what to write, by which they usually mean that they are not told to write something they believe to be false. But most are told what to write, in the sense that it is a necessary function in the media to decide which of the infinite number of possible subjects to pursue, assign, publicize and which to ignore. (...) [I]t is within this necessary professional decision making that corporate values and the central aims of owners are embedded”. However, one ought not to forget that these private media are dependent not only on their owners, but on the incomes they derive from publicity. This publicity, in turn, is originated in large corporations or, eventually, State institutions. One ought not to bite the hand that feeds him (Baker, 2002, p.344) and biting that hand would mean creating material that is seen as hostile to their sponsors or to publicize facts that could harm their image. These phenomena restrict the “bounds of the expressible” (Chomsky, 1989; Herman and Chomsky, 1994)

sympathetic - or promise to be sympathetic - to those social classes that can provide them with such huge resources. Even regulation on campaign spending may be evaded and is therefore ineffective. Furthermore, after election day, lobbying is quite effective when backed by huge amounts of money; corruption, too, seems to thrive more if economic inequality and wealth concentration are high. Elected officials who may nevertheless wish to pursue democratically chosen policies against moneyed interests, will be confronted by large holders of capital that may opt to resist any offensive through a number of alternative strategies, that eventually lead to the demise of the uncooperative officials or to their final yielding: boycott or evasion (i.e., capital flight; creative use of loopholes in laws, etc) and intimidation or direct confrontation, through legal or illegal methods (eg: the “employers’ strike” against the Allende administration in Chile, preceding and preparing the ground for Pinochet’s coup d’état).

2.

Given this diagnosis, in what ways can a property-owning democracy provide effective mechanisms to deal successfully with these obstacles to political equality? The answer depends, predictably, on the particular features of the system and on how radical and egalitarian the system is intended to be. It also depends fundamentally on the type of social inequality one is dealing with and the way in which it gets to be converted into political inequalities.

A) Political competence and egalitarian educational policies

Regarding the connection between education, political sophistication, political interest and participation, it seems that attention must be focused on obtaining a public education system that provides universal, free and, above all, equal education to all, avoiding the common trap of educational ghettoization that frequently plagues those countries with a more economically liberal outlook. It would be of fundamental importance to avoid having a segmented educational system, with elite schools, on the one hand, where the wealthy and academically brilliant alumni get together and create an intellectually stimulating atmosphere for each other, and, on the other hand, schools for the “plebs”, under-funded, over-crowded, and in which the

academically “under-achieving” concentrate in disproportionate numbers, generating a “pull down” effect that artificially depresses the educational chances for each and all that frequent such an environment. Although this seems to be a goal rhetorically espoused by all reformers – and therefore, nothing but an innocuous platitude - preventing this ghettoization of the educational system and ensuring genuine equal education would actually collide with recent trends and proposals in educational policy which have been stressing: 1) the importance of “empowering” parents with greater “freedom of choice” regarding their children’s schools; 2) more autonomy to schools (decentralization of criteria); 3) favouring markets or “quasi-markets” in education, which, through the effects of competition, would supposedly improve the quality or efficiency of the education provided.

Justifying appropriately this position would take us too far away from the more contained purposes of this article. I will, then, only suggest a succinct argumentative path which could be used to attack parental “freedom of choice” and the introduction of a “market logic” in the educational system. Giving more choice to parents by means of school vouchers and similar schemes^[6] should not count as something particularly valuable. Even if one were to presume that parents know best what their own children’s (educational) interests are and how to achieve them^[7], still, they are natu-

6 Something which was and is proposed not just by ideologues of the “third-way” (Le Grand,2003), but, more surprisingly by egalitarian authors such as Bowles and Gintis (1998).

7 Which is not as obvious as may seem at first sight. Parents which in their days had little schooling or little success in school, will probably be limited – in a way that teachers or ministries of education may not be - in their ability to understand what is essential and what is not for their children’s academic success and even more so in perceiving what the education system’s role might be in making their sons and daughters critical, well-prepared citizens for democratic politics. Additionally, in some circumstances, parents may actually hold interests that are radically opposed to those of their children: due to radical and sectarian religious beliefs, for instance, they may wish to prevent their children from gaining acquaintance with theories and perspectives they repute immoral and dangerous by enrolling them in schools that will remove such topics from curricula or present them in what they believe is an appropriate manner. While moved by a desire to protect their loved ones, they may actually be undermining their children’s future prospects as intellectually and politically autonomous and critical citizens of the democratic community. And while parents undoubtedly have special moral duties towards their children, and despite presumably more concerned with their welfare than any other citizen, there is no reason why their particular options should be regarded as a right that trumps the rights of all children to an education that enhances the chances of becoming a politically autonomous, equal and active citizen. Moreover, it does not seem to necessarily constitute a form of religious oppression not to be able to choose their children’s school based on religious grounds, as parents may still have their children taught religious contents in public schools by means of an optional (not mandatory) discipline, for instance. A somewhat similar and more developed argument regarding the superiority of children’s rights to an “autonomy-facilitating” education against their parents interests may be found in BRIGHOUSE (1998), although, in

rally oblivious as to the consequences of their options on other people's children – whose interests it is not their duty to watch for: the natural tendency of more freedom would be to cluster the best students in a few schools and the underprivileged in others, as the parents of the well-off would struggle to isolate their offspring from those of the poor (for fear of their negative influence on academic performance), creating just the sort of “ghettoization” previously referred to. When inequality is prevalent, unrestrained freedom of choice in a market system tends to enhance that inequality, producing more “unfreedom” for those who are at the bottom of the social system.^[8] If, and to the extent that a regime of property-owning democracy is concerned with equalizing “human capital” among students, it ought to seriously contemplate the need for having a non-market allocation of resources and students, through a centralized educational system – which would demand that it be publicly owned and controlled – that would disperse, according to criteria as objective as possible, the various students, with their specific needs and disadvantages, among the various schools, striving to keep a healthy and equal ratio between social classes and educational needs throughout the national territory.^[9]

this case, the author is not so much concerned with autonomy in this restricted sense of a set of intellectual capabilities necessary for equal and critical political deliberation and participation in democratic politics, but rather with autonomy understood in a wider sense as the ability to permanently examine and revise one's fundamental ways of life.

- 8 This serves, I believe, as a good illustration of what H. Hart (1975) meant when he criticized Rawls – who later recognized the soundness of the criticism – for characterizing his principles of justice as a framework that allowed for the maximization of freedom. There is no such thing, at least when one's goal is to produce a liberal theory of justice. Rights and liberties, in general, are bound to collide with each other in a number of circumstances and any liberal theory worthy of that name will attempt to regulate in the most fair and equal manner the various trade-offs and mutual accommodations that must be imposed on each and every right. In doing this, it will establish the boundaries and inevitable restrictions to all rights. No right shall be limitless – lest we accept a Hobbesian state of nature- , but rather and appropriately constrained so that the liberal regime will be the most adequate. This will not “maximize” “freedom”. What matters to all liberal theories are distinct freedoms or rights (“freedom of expression”, “the right to free and equal education”, property rights, etc) and how they are combined in a balanced and complex system. These distinct, specific freedoms don't add up and accumulate like numbers to form a single conglomerate, a “maximized freedom”. And, in this case, a proper, or adequate egalitarian theory of justice that stresses and prioritizes the value of political equality, and the preconditions for its continuous existence, must recognize the need for ensuring that “freedom of choice” for parents regarding the schools where their children will study must be tempered and subordinated to the overarching goal of achieving (as far as possible) equal education for everyone's offspring and, with it, equal abilities for democratic citizenship.
- 9 A good framework for how this might be obtained is sketched in Thad Williamson's proposals (Williamson, 2013, pp. 76-80).

While this alone strongly militates against introducing or reinforcing market mechanisms or vouchers schemes – at least if these are not residual and complemented with the State's very strict enforcing of educational standards and egalitarian criteria – there are further democratic arguments that strengthen the case for public, centralized provision of education. One ought to avoid looking at the educational system predominantly as a means for obtaining valuable market skills (or “human capital”). While the educational system may work indeed to equalize “human capital” and, in that way, promote a “predistribution” of resources that will later ensure that people will have more equal incomes in their adult life, the educational system also provides – or may provide – some of the indispensable tools for the development of political competence and interest. Parents and private schools (pressured by them) may very well be so concerned with the obtaining of the former, that they may undermine the successful transmission and development of the latter. In other words, more power to parents concerned with the acquisition of marketable skills, and to private schools that seek to respond to their client's anxieties or, alternatively, to market demands, will predictably result in the distorting of curricula and of the whole learning process to fit the needs of the “labour market” of the future and this will tend to come at the cost of strengthening political inequalities. While this may be unproblematic for the children of economic and intellectual elites, as these may find outside of the school environment the necessary stimuli for engaging in politics, the same is usually not true of non-privileged segments of society. A public system, more immune to market and parent's pressures, seems to be the natural candidate for keeping the “democratic focus” of education while establishing a right balance between the two goals of an egalitarian educational system (Levine, 1998, p. 128). Establishing or maintaining such a public system is compatible with – and ought to play a central role in – all egalitarian systems, be they either socialism (under its state or market versions), POD or a more traditional social-democratic welfare-state.

B) Economic independence and political autonomy

Granting all citizens some form of property, or establishing a universal basic income could insulate them – up to a certain degree – from dire economic insecurity or the worst and most immediate effects of unfortunate events such as unemployment or temporary or definitive disabilities. While the existing welfare state institutions already seek to constitute a safety net that

protects all people from such events - and from the fear itself deriving from the perception of this vulnerability - they may be said to be unsatisfactory. Having property or an unconditional income could be argued to provide a more solid basis for the economic, social, intellectual and, ultimately, political independence of citizens. It would level the playing field or the bargaining power between labour and capital, precisely because no one would be a pure “proletarian” deprived of autonomous means of survival. This, in turn, would reduce “the extent to which individuals are subject to the capacity for arbitrary interference at work” (Hsieh, 2012, p. 155). As the republican and neo-republican arguments stress, domination emerges always and as soon as someone may depend on the goodwill of another. Coercion or any act of actual arbitrary interference is not a necessary condition for domination; the mere potentiality that someone may exert power if he so wishes (even if its improbable he will so wish) suffices to create domination. He who is put in a situation of uncertainty vis-à-vis the holder of power (as a mere potentiality) is already a “slave” (Skinner 2008, 96 ff).

Being able to live a decent life without needing to pay heed to either the state or other individuals – just making frugal use of the resources to which one is fully entitled, such as an unconditional basic income or a capital grant – would make one much less “coercible” and more autonomous, namely regarding one’s political options and activity.^[10] In this respect, the institutions of POD could be said to offer something more than the contemporary Welfare-state already does.^[11] However a few questions surface then. The first is that either an unconditional basic income or a capital grant, in order to have the desired “autonomizing” effect, would have to be substantial, and this raises the questions of their immediate feasibility and their subsequent sustainability (both economic and political). Steep inheritance taxes or strong limitations of the right to bequest combined with some sort of universal grant of a stipulated amount of wealth at the start of one’s adult

10 Another argument in favour of the democratic value of economic security (applicable to a universal basic income policy but not so strongly to a capital grant scheme) is that it enables people with enough (“leisure”) time which may be dedicated to non-market or non-productive activities if they so wish. Among these activities may be found all those that are instrumental to political competence and interest: participating in debates, rallies, demonstrations, and, more importantly, perhaps, reading and studying all sorts of material that may be required for an “enlightened formation of preferences”. I will not pursue the argument here but it strikes me as having been very persuasively put forward by Carole Pateman (2006).

11 Richard Dagger (2006) contends that the concern of (neo)republicanism with preventing arbitrary interference and preserving equal political participation in politics (as instrumental for the preservation of other freedoms) converges with Rawls’ political thought and with his defence of POD.

life, for instance, would still be perceived as a form of radical redistribution. And, as such, it would predictably be subject to fierce resistance, as can be attested by the history of the socialist movement. Even if one were successful in implementing such policies at a given point in time, these would be very vulnerable to subsequent fluctuations in popular mood: inheritance taxes are usually unpopular, since people feel morally and emotionally compelled to leave something – and something with material value – behind to their children. This is no strong ethical objection, but it does raise the question of why not simply opt for some form of democratic socialism instead of POD, given that the political and economic costs of implementing either one of these systems would be similar.

Another troublesome issue would emerge if these policies (universal basic income or universal basic capital) were to replace entirely or to a great extent the existing institutions of the welfare state and traditional social-democratic policies (full employment policies; public provision of basic services in health, education, access to water and energy, etc; unemployment benefits, pensions, and other benefits) instead of working as complement to them. In such a case, one might end in a situation in which people would become more, rather than less, vulnerable and dependent on others. This seems to be particularly true of universal capital grants, since people have different abilities for risk calculation and investment acumen (not to speak of “pure brute luck”) which would, under a more “free market regime” – with little subsequent redistribution –, in the medium-to-long run, determine for some – at least – a major loss of their initial capital and, therefore, of their economic independence and safety. The stability and relative insulation with which POD is supposed to ensure individuals – regarding public and private powers that may wish to coerce or constrain them – would then collapse and with it, one of the main sources of POD legitimacy and of its democratic credentials. Any POD proposal that takes the democratic ideal seriously must not only be concerned with “pre-distribution”, but with subsequent and regular re-distribution so as to prevent concentration of wealth throughout life.

A final question I would like to raise is if such isolated policies – unaccompanied by more “traditional” social-democratic and socialist ones – could not endanger certain “collective solidarities” that are instrumental in solidifying isocracy. Democracy is about solving collective issues, the issues of the polis, but also of social groups – particularly the downtrodden – in the political community. And the weapons of the weak are numbers, organization, solidarity and self-awareness. Being able to solve or even address their

collective problems depends on each recognizing them as problems that are also one's own, and not the issues of distant "others" towards which we feel indifferent at best (White, 2012, pp. 136-143). Equality can be argued to be a foundation of this sense of belonging and unity, but perhaps one needs more than just equality; perhaps also the sense of equal economic co-dependence, or the need one has that others prosper in order for one's own success, is necessary. Such a "feeling" is arguably less prone to arise when people are apparently radically independent from each another.^[12]

3.

The simple fact that everyone may be entitled to some sort and amount of property is fundamentally irrelevant when considering other sorts of hindrances to political equality. In order for property-owning democracy to be able to ensure political equality in an economy still ruled, in general, by the market, it must not only be an economic regime in which everyone has some property and independence, but a regime in which wealth and resources are significantly dispersed, and not concentrated as they inevitably tend to be under capitalism. Otherwise, concentrated economic resources become, one way or another, concentrated political power. This conversion of economic and social power into political power may occur through several means, many of which were stated earlier in this article. One of these processes of conversion works through the development of an oligopoly of "voice". Another is through what some have called the "structural dependence of the State on Capital".^[13] Let us analyse these two aspects more in detail.

12 As Ben Jackson (2012, pp. 46 ff) recalls us, alongside a progressive one, there is a strong conservative tradition of POD, which was designed as an alternative project to the socialist ideal. It was not just a rival project, but actually an anti-socialist, anti-egalitarian strategy. In the days of Margaret Thatcher's executive, this became quite evident. The idea, then, was that of alienating workers from socialism and to crush workers' natural solidarities and union by making them property-owners who were, or could be made to believe they were, now members of another, distinct class, made up of autonomous, responsible individuals, who had their own fate in their hands to command and could legitimately be oblivious to "proletarian" workers, on the one hand, and independent vis-à-vis other "property-owners". Indeed, that was the whole point behind the policies of popular capitalism at the time that enabled tenants to buy their homes (which had been, up until then, public housing with low rents) or that allowed people to buy shares of the recently privatized public industries: to change people's ideologies, through the illusion of property, from an egalitarian, socially-minded, and "communitarian" perspective, to a neo-liberal, libertarian, socially-indifferent one.

13 For a critical assessment of this notion see: Przeworki and Wallerstein, 1988. While these authors are right to stress that the "structural dependence" argument has been used as a self-fulfilling prophecy and sometimes even as an excuse or pretext for left-wing parties to hide their own culpable timidity or "embourgeoisement", they seem excessively dismissive of the real constraining effects that concentrated ownership of the means of production exerts on States

C) Oligopoly of voice versus *isegoria*

The point was made earlier and succinctly: political equality as an ideal concerns equality in the ability to influence the formation of political preferences, as much as it concerns equality in the counting of votes (i.e., in the enactment of preferences as they were expressed and became ‘crystalized’ during the electoral act). Political equality, if well understood – i.e. in a demanding sense -, means that all members of the demos must have the opportunity to develop an “enlightened understanding” of their own preferences –regardless of all the caveats that one must bear in mind here so as not to fall back to blatantly elitist or vanguardist positions.^[14]

Equality of vote (enacting expressed preferences) must be preceded and accompanied by equality of voice, i.e., equality in capacity for: (1) influencing the formation of preferences in the first place, and; (2) for being informed about public issues through a pluralistic and deliberative environment.

Understandably, then, it is not just “access” to property, or the right of all citizens to some property, that may re-instate anything even remotely approaching the ideal of *isegoria*, or “equality of voice” in the deliberative arena of today, given the deeply oligarchical system of contemporary mass media. A “positive and equal freedom of expression” for all can only be obtained through equal and genuine access to the mass media, something which, in turn, depends on effective property and control of these same gigantic media outlets (so as to determine the content of its messages; the biases and framings of political information that it necessarily must display), not just the possibility for the “underdogs” of benefiting from occasional appearances, legally mandatory during political campaign periods. It would be naïve to expect that any single media outlet can ever be “impartial”, much less so that it, or even the media system as a whole, portrays “reality as it is”. Reality is an incredibly rich, almost chaotic flow of information. There is an excess of data. All people deal with the overwhelming abundance of information by using filters, or heuristic devices that allow us

and governments. These constraining effects have also become more powerful after the extinction of socialism in the Eastern Bloc and the ensuing process of globalization.

14 As Robert Dahl (1989, pp. 111-112) once noted, “This criterion implies, then, that alternative procedures for making decisions ought to be evaluated according to the opportunities they furnish citizens for acquiring an understanding of means and ends, of one’s interests and the expected consequences of policies for interests, not only for oneself but for all other relevant persons as well. Insofar as citizen’s good or interests requires attention to a public good or general interest, then citizens ought to have the opportunity to acquire an understanding of these matters. (...)”

to “make sense of the world”, by placing new bits of information in understandable categories, by providing a framework of analysis, explanations and causal links between them and, more importantly, by ignoring, forgetting or excluding some information while highlighting other facts. We would be lost without these “perspectives”, these ideological biases that help us understand reality. We do that as individuals, and the media and their agents must do that too, necessarily, when relaying information to the wide public: highlight some facts, downplay others. There is no sense in striving for a “non-ideological” unpolluted pure transmission of information. Therefore, if one is to ensure that people are not deprived of the knowledge of the relevant facts when developing their preferences, the only viable solution is to make sure the media system, as a complex whole, is characterized by a genuine pluralism of “biased” information: i.e., that all ideological and social perspectives and groups get an egalitarian access to the production of political information.^[15] This is no easy task, as genuine access demands

15 It is worth stressing that nothing of what has been said so far means that people are “entitled to believe their own facts” - as one reviewer would have it. I assume here - unlike relativists - that facts exist, that there is an external reality beyond our imagination and even that it is possible - not always, and not always easily - to make accurate judgments regarding facts. What has been said is that there is an incommensurable supply of facts oozing from reality and that all human beings must, of necessity, interpret these facts, organize them into a coherent whole through some “structures of thought”, a belief system (an ideology). As this is so, it is essential, for the sake of political equality in the phase in which preferences are formed, to ensure that all citizens are able to have access to all ways of understanding and organizing facts and then to decide for themselves which of them sound more plausible and to what extent. In order for this to happen, all relevant “ideological groups” must be entitled to present not “their own facts”, but their own interpretation of facts: how they perceive the connections among various facts and their relative explanatory relevance. This has nothing to do with fabricating facts, nor even with wilfully silencing or ignoring others. To provide an example, while some journalists and authors, convinced of the “Hard-working-protestant-ethic-driven-Germans-against-the-profligate and negligent-south-europeans” narrative will be particularly attentive and insist on (true) news and facts such as the manipulation of deficit and debt statistics by the Greek government, or high indices of corruption, others, whose belief systems collide with such narrative, will be able more easily to detect and perceive as particularly noteworthy other (true) facts that combine with the former to form a different picture, in which the defects of Greek (and southern-european) governments and society are seen to be not only exaggerated but explaining very little of the current problems faced by their economies: facts such as the number of hours Greeks and other south-europeans work (higher than those of German workers), the dramatic effects that entering the euro had in their countries, or the fact that countries such as Spain, which had a healthy financial situation prior to the banking crisis and the rating agencies’ speculative attack (potentiated by the EU’s attitude) also fell victim to a similar situation as that of Greece: an economic crisis, with gigantic rates of unemployment, negative growth for several years in a row and a continuously mounting public debt that has only now improved slightly, although, it must be said, only after being treated in a much more generous way by the EU and IMF. Another fact to which such journalists might have their attention drawn would be that of the UK’s severe deficit situation at about the same time of the first Greek bailout that, notwithstanding never

fundamental alterations in property relations regarding media outlets. In this area, at least, market criteria must be trumped by democratic ones. As some experts in the area have contended, this probably demands the coexistence of not only a private and public (i.e. state) sectors, but also, and more importantly, of a third, non-market sector, belonging to civil society, lively and independent of both government and market pressures (Keane, 2004, Baker, 2002).

Arguably, even the dispersal of smaller media outlets (such as newspapers) among diverse social and political groups (particularly those emanating from subordinated and underprivileged social classes) might not be effective enough, as long as property, and therefore access, to the far-reaching, influential and most expensive media outlets (such as tv-networks and major newspapers) remain the monopoly of a social class. Democratizing the media today means democratizing access, and therefore property and effective control, to the most pervasive, most influential media outlets.^[16]

D) Structural dependence and informal veto powers of capital holders

It is usually considered that a corollary of the ideal of democracy is that, when consensus is unavailable (and in pluralistic societies this will be inev-

produced identical reactions on the part of rating agencies or the “markets”. To conclude, facts exist, but so do ideologies (in a non-pejorative sense) and no one is immune to them, as all need them to make sense of a reality which they cannot access in its integrity. Only the extremely naïve can believe that they or anyone else has “direct” and untainted access to “all of the reality”. The more one believes he is ideology-free, the more enslaved is he by it (and the more distant he becomes of approaching reality “as it is”).

16 Some might argue that the advent of social media and the internet, in which everyone can produce, look for, and share political information, may have already democratized the deliberative sphere of current polyarchies, making somewhat superfluous the more radical reorganization of the media system here proposed. Given space constraints, I cannot obviously be expected to answer to this objection adequately here. I would venture, however, that, despite its democratic ethos, the real potential of the internet and social media is still limited. Mass media outlets such as television seem still to be much more influential in the development of political preferences and worldviews regarding the vast majority of the population than social media. One can speculate that this phenomenon may be rather natural. In fact, most of the material that is shared in social media has its origin or is first produced by the oligarchical or hegemonic mass media. Also, an outlet such as television channels demands much less cognitive abilities and previous interest from its consumers to arrive at them than what happens with those who go to the internet to look for information: one must have a more proactive, non-passive attitude, so as to search for what one wants to know about. This attitude will usually only be found among those that are already “mobilized” or politically interested. It serves well, then, those that are politically more informed. It is less effective over the vast majority of the citizenry. I thank the reviewers for alerting me to this issue.

itable) majority will ought to rule, as long as enacting this will does not affect the conditions for maintaining political equality in the long run.^[17]

This however can easily conflict with the unequal private distribution of wealth – particularly the major means of production and resources – typical of capitalism. Political will is not “self-executing”. It needs resources in order to become a reality. All collective projects, like building and staffing hospitals, schools, courts and other public facilities and services, involve significant investment and must be backed by economic resources, obtained through taxes or other sources of public income. If the main resources of the nation are in private hands, and if they are hostile to these projects and interests, majority will may be said to be constrained by a sort of “informal veto power” held by wealthy minorities.

If POD is to deal successfully with these “informal veto powers” of concentrated wealth, it must ensure not only that all have access to some property, but that none – either individually or as a member of a distinct social class - has enough property to be able to “blackmail” the political community into submission or deprive it from the much needed resources. This suggests, in turn, that the main resources and means of production, particularly those that are instrumental or central to the functioning of a national economy, ought to be publicly or collectively owned.^[18] In non-central sectors, even if collective property is not required, at least much care must be taken so as to avoid large private concentrations of resources, that may constitute forms of monopoly or oligopoly or that can function either as 1) a “coercive” tool against the democratic will of the political community, or as 2) a means of gaining privileged access to political representatives, through either lobbying or corruption. Preventing this would demand that, even if market rules are still the main mechanism for resource

17 This constitutes what I term “the endogenous limits of the democratic principle”. A very obvious example can be illuminating here. A majority may want to enact laws that work so as to curtail the freedom of expression of the minority. If they succeed in doing so, then, the members of the minority will be reduced to a status of political inferiority regarding the deliberative dimension of democracy: they will not have the same ability to influence the formation of preferences among their fellow citizens than the members of the majority. If they become political inferior, isocracy is no longer obtained. This same simple reasoning can be applied to whatever other preconditions for political equality. Democracy as isocracy, then, is necessarily a “reflexive” regime: some preconditions of political equality must be constitutionally ensured against majority will, even if majority will is itself, *prima facie*, a condition for political equality itself.

18 What these may exactly be, will inevitably be contested and, ultimately defined by public deliberation in a democracy. However, some of them seem to be patently obvious and necessary: the banking system (or a large portion of it), the energy and water supply, fundamental means of transportation and logistics resources, etc.

allocation, these must be regulated and limited by strict laws and even stricter state enforcement of them. All pre-existing inequalities will tend to be aggravated and property to become concentrated, in the medium-to-long run, by the sole mechanism of market transfers if left unchecked. This demands from a POD regime much more redistribution than Rawls, for instance, probably thought necessary. It also requires taxing and limiting not just bequests and inheritance rights (“intergenerational transmission of acquired advantages”) but also *inter vivos* transfers. Finally, the State must retain control of the “commanding heights” of the economy, namely so as to define public investment and be able to engage in some sort of social and economic planning or guiding.

These concerns are also valid even if most large and medium scale firms were to be worker-owned and worker-managed, as was originally proposed by Meade himself. While inequality within firms would probably be much more contained than is usual in capitalism under such a hybrid regime, inequalities between firms could arise and, in time, become severe. And these, in time, could endanger equality system-wide^[19]. Also, while industrial democracy is usually hailed as having a positive psychological effect on workers, enhancing their democratic and deliberative abilities for public life, it can also generate strong group identities (a sort of “collective selfishness”) and interests that could come to collide with those of the larger political community. A dramatic instance of such a phenomenon would be that of a large industry, generating a great deal of the exports and income of a nation, whose workers could use their privileged position to constrain and blackmail a democratically legitimate government and the larger community so as to further their own private goals. In this case, we would be back to a situation of informal “veto powers” held by a privileged minority.

Conclusion

Political equality, or isocracy, is a demanding ideal. If POD is thought to be instrumentally tailored to achieve such an ideal, it must tackle the most important sources of political inequality. Success in doing so, however, depends on the particular features of POD and on how egalitarian the eco-

19 Roemer (2009, p. 701) himself has arrived at the conclusion that his market socialism proposal, if unaccompanied by the redistributive policies of the contemporary social-democratic welfare state, would generate more inequality than the one existing in present-day capitalist societies. This, he contends, illustrates how differential marketable skills are today as relevant as differential capital ownership in producing inequality.

conomic system can be made to be. It is also true that some forms of either democratic socialism or even a radically egalitarian welfare-state capitalism may, if well devised, also address some of the significant impediments to political equality. For instance, providing a public educational system that equalizes both human capital and political competence and democratizing the deliberative sphere seems perfectly compatible with any of the three economic systems. Where POD may be said to provide a unique contribution to isocracy is in its ability to insulate individuals from the coercive effects of economic insecurity or precariousness by means of, for instance, an unconditional basic income or universal access to capital grants. These devices, however, must complement and not (entirely) substitute existing (redistributive) institutions and policies of the welfare-state, since any system in which the market is the main allocation mechanism will inevitably generate and reinforce economic inequalities that are later translated into political ones. Therefore, redistribution is required as much as predistribution. Finally, if isocracy is to have any chance of being realized, market criteria and operations must be kept under a short leash and concentration of economic resources cannot be allowed to grow into an informal veto power for wealthy minorities.

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