4. THE SOCIOECONOMIC ORDER: CONCENTRATION OR DISPERSION?

What difference does the social and economic order make? Are the chances that a hegemonic regime will be transformed into a more competitive regime higher under some socioeconomic orders than others? Are the chances that a polyarchy will be maintained dependent on the socioeconomic order?

Assumptions

In the first chapter I introduced a more or less self-evident axiom which asserted that a government is more likely to tolerate an opposition as the expected costs of suppression increase and as the expected costs of toleration decrease. Since the costs of toleration or suppression are in turn dependent on the relative resources available to the government and to the opposition, it is obvious that:

AXIOM 4: *The likelihood that a government will tolerate an opposition increases as the resources available to the government for suppression decline relative to the resources of an opposition.*

Now the key resources that governments use to suppress oppositions are of two broad types: violent means of coercion,

persuasion, and inducement, typically wielded by military and police forces; and nonviolent means of coercion, persuasion, and inducement, or, as they will be called here, socioeconomic sanctions, chiefly in the form of control over economic resources, means of communication, and processes of education and political socialization. Hence

AXIOM 5: *The likelihood that a government will tolerate an opposition increases with a reduction in the capacity of the government to use violence or socioeconomic sanctions to suppress an opposition.*

Two very general kinds of circumstances can reduce the capacity of a government to use violence or socioeconomic sanctions against an opposition. First, these factors sometimes cease to be available as political resources. This possibility is particularly relevant to violence against opponents of the government by police or military forces, for the police and military may actually be very small, or, what amounts to very nearly the same thing, they may become so depoliticized that they can no longer be used by political leaders for internal political purposes. Second, these (and other) political resources may be so widely dispersed that no unified group, including the government (or a unified group of leaders in the government) has a monopoly over them.

Thus, in the eighteenth century, the "professional" military and police forces of Britain, other than the Navy, were not only dispersed throughout the counties, where they were subject to control by the local gentry, but they were in fact very nearly nonexistent. Britain's greatest instrument of organized violence was the Navy, over which the government enjoyed a monopoly control, but it was not an effective instrument for domestic coercion. The United States developed into a polyarchy without a standing army or a national police force and with a very wide distribution of firearms among its citizens. Even if the police in American communities were sometimes involved in politics, control over the police was

widely dispersed among innumerable local governments throughout the country. In Switzerland, providing for the defense of the country by universal military service has made for a microscopic professional standing army.

Where the military is relatively large, centralized, and hierarchical, as it is in most countries today, polyarchy is of course impossible unless the military is sufficiently depoliticized to permit civilian rule. Why highly organized military forces intervene in politics in some countries but not others has been the subject of an enormous amount of inquiry, controversy, and puzzlement. The crucial intervening factor, clearly, is one of beliefs. But why beliefs in political neutrality, constitutionalism, and obedience to civil authority are developed and sustained among military forces only in certain countries (not all of which are polyarchies), raises problems of so vast a scope that I cannot examine them here, crucial though they may be. The point to be made here is simple and obvious: the chances for polyarchy today are directly dependent on the strength of certain beliefs not only among civilians but among all ranks of the military. Thus polyarchy has been possible in Chile, where the military has traditionally been reluctant to intrude into the political arena; while in neighboring Argentina, polyarchy is impossible so long as the military responds to the belief that its leaders have a right and duty to set aside the results of elections whenever the outcome, in their view, bodes ill for the country.

Although it is obvious that when a government has a monopoly over violence and socioeconomic sanctions and is free to use these resources to suppress oppositions the chances for competitive politics are practically nonexistent, it does not follow that the mere absence of a governmental monopoly over these key resources necessarily favors competitive politics. For in some circumstances the lack of these key resources may produce only a weak and unstable competitive regime. Table 4.1 will help to clarify the point.

The circumstances most favorable for competitive politics exist when access to violence and socioeconomic sanctions is either dispersed or denied both to oppositions[1] and to government. The least favorable circumstances exist when violence and socioeconomic sanctions are exclusively available to the government and denied to the oppositions. But what of the remaining case when these key resources are a monopoly of the opposition? The pure case would hardly exist, since under these conditions a "government" would lack the definitional characteristics of a government. However, the situation may exist temporarily in a country where economic resources are monopolized by a small group of local or foreign owners and managers or where the military forces are politically committed to the defense of specific social strata or ideologies. Confronted by situations of this kind, a government is bound to be weak and unstable, for whenever its conduct displeases the opposition, the government can easily be overthrown.

Table 4.1. Relative Access to Violence and Socioeconomic Sanctions: Government and Opposition

		Available to government? Yes	Available to government? No
Available to opposition?	Yes	Dispersed	Monopolized by opposition; access denied to government
	No	Monopolized by government; access denied to opposition	Neutralized: access denied to both

A number of Latin American countries provide a rough approximation to the circumstances I have in mind, not so much because socioeconomic sanctions are monopolized but

1. To simplify the theory and exposition at this point, I treat "government" and "opposition" each as single, unified actors. Clearly this is rarely the case.

because of a tradition of military intervention. Where the military forces are prone to intervene in political life in defense of special interests or their own conception of the country's interest, then any government that pursues policies of which they disapprove is likely to be short-lived, as in Argentina.

It would be misleading to conclude, however, that violence and socioeconomic sanctions are necessarily distributed in the same way. Consider table 4.2.

Table 4.2. Distribution of Violence and Socioeconomic Sanctions

		Access to violence is: Dispersed or neutralized	Monopolized
Access to socioeconomic sanctions is:	Dispersed or neutralized	A	B
	Monopolized	C	D

Clearly the most favorable situation for competitive politics is A, which I shall call a pluralistic social order.

It is equally obvious that the situation least favorable for competitive politics and most favorable for hegemony is D, which I shall call a centrally dominated social order.

The other two situations are more ambiguous. Both are less favorable to political competition than is a pluralistic social order, but both are less favorable to a hegemonic regime than is a centrally dominated social order. Contemporary Spain, Portugal, and Argentina roughly approximate B, which might be called a quasi-pluralistic social order with repressive violence. The remaining possibility, C, which might be called a quasi-dominated social order without repressive violence seems to be rare, perhaps because a governing elite with such great resources for dominance would have no incentives for allowing all the major instruments of violence to be dispersed or politically neutralized and would probably

possess enough resources (for example, legal authority, promotions, pay, and wealth) to prevent it.

Agrarian Societies

Since so many countries in the world today are still predominantly agrarian or barely emerging into the industrial stage, the tendencies of agrarian societies have more than purely historical interest. Historically, agrarian societies seem to have fallen roughly into two extreme types, with of course, many variations. The most prevalent type, which might be called the traditional peasant society, has a very high propensity for inequality, hierarchy, and political hegemony.[2]

The other, which I shall call a free farmer society, is considerably more egalitarian and democratic. Although the free farmer society is often ignored in discussion of agrarian societies, it furnishes too many important historical examples to pass it by: Switzerland, the United States,[3] Canada, New Zealand, and Norway, to take the leading cases.[4]

It would be a large and fascinating enterprise to try to unravel the causes leading to one or the other. Tocqueville is an obvious point of departure for the ambitious theorist. But that effort is beyond the scope of this essay, and I shall do little more here than provide a descriptive summary.

Three underlying conditions seem to be particularly rele-

2. Gerhard Lenski, *Power and Privilege* (New York: McGraw-Hill, 1966), chaps. 8 and 9; Kaare Svalastoga, *Social Differentiation* (New York: David McKay, 1965), chap. 3.

3. The absence of a feudal past has strongly been emphasized by Louis Hartz as an explanation for the development of a liberal democracy in the United States. See his *The Liberal Tradition in America* (New York: Harcourt Brace, 1955).

4. There are other relevant examples, though these would require greater qualification: e.g. Australia, Chile (nineteenth and early twentieth centuries), Ireland (twentieth century), and, provided one is prepared to ignore the existence of slavery, Athens in the fifth and fourth centuries B.C. Historically, Sweden was perhaps at the margin between the two types. Costa Rica is perhaps the closest approximation in Latin America.

vant and will help to give our description a bit of dynamics. Tocqueville was perhaps the first to point out how difficult it is to explain the political development of the United States (as compared, let us say, with other countries to the south) unless one gives considerable weight to the independent effects of beliefs, including naturally beliefs about "equality."[5] For a second explanatory factor one might look, as Tocqueville did, to the degree of equality in distribution of land. Because in an agrarian society the possession of land or a right to the produce of the land is the main source of status, income, and wealth, inequality in land is equivalent to inequality in the distribution of political resources. To put it differently, in an agrarian society inequalities will be cumulative, not dispersed, and (as Harrington, the seventeenth-century English philosopher, argued) power will be highly correlated with landed property. A third factor, one to which Tocqueville paid less attention, is the state of military technology, that is, the bearing of technology on the capacity of individuals to employ coercion. During some periods, military technology reinforces inequalities by facilitating a monopoly over instruments of coercion among a small minority, as in the familiar case of the expensively armed and mounted knight before whom the unarmed or lightly armed medieval peasant was relatively ineffectual. Or to offer another example, the initial monopoly over horses and muskets held by the *Conquistadores* allowed a handful of Spaniards to conquer and subjugate the advanced Indian civilizations of Mexico and Peru. In other periods, military technology reinforces equality by dispersing the most effective instruments of coercion widely over the population, as in the case of the

5. This masterly demonstration, which superbly exhibits his capacity for comparative analysis, will be found in *Democracy in America* (New York: Vintage Books, 1955), vol. 1, chap. 17, "Principal Causes Which Tend to Maintain the Democratic Republic in the United States," pp. 298 ff. The main references to Latin America are on pp. 331–33. He uses Latin America as a kind of "control" for his mental experiment on pp. 331–33.

relatively cheap but efficient musket and rifle in eighteenth- and nineteenth-century America.

In the traditional peasant society, these three factors all operate in the same direction. Cumulative inequalities of status, wealth, income, and means of coercion mean a marked inequality in political resources, an inequality that is reinforced by prevailing beliefs. A small minority with superior resources develops and maintains a hegemonic political system (often headed by a single dominant ruler) through which it can also enforce its domination over the social order and hence strengthen the initial inequalities even more. Limits on this potentially run-away cycle of ever-increasing inequalities are set by dangers of mass starvation, passive resistance, and even sporadic uprisings among the peasants, a decline in agricultural output, and, because of wide disaffection, vulnerability to foreign invasions. But for the great bulk of the population life is one of hardship, deprivation, dependence, repressed dissent, and comparative ignorance,[6] while a tiny minority enjoy exceptional power, wealth, and social esteem.[7] The dynamics of the traditional peasant society might then be represented crudely as in figure 4.1.

In the contrasting society of free farmers, land is more equally distributed, even though it is always a far cry from perfect equality. If the norms are egalitarian and democratic,

6. Mehmet Beqiraj, *Peasantry in Revolution* (Ithaca, N.Y.: Center for International Studies, Cornell University, 1966), passim.

7. "For example, recent research indicates that in nineteenth century China, the gentry or degree holders, who formed the governing class, totaled about 1.3 per cent of the population in the first half of the century and about 1.9 per cent toward the end. In mid-nineteenth century Russia the nobility constituted 1.25 per cent of that nation's population. In France, on the eve of the Revolution, the nobility of all ranks and grades constituted only 0.6 per cent, despite the recent influx of many wealthy mercantile families. During the last days of the Roman Republic, the governing class is estimated to have included about 1 per cent of the capital's population. Finally, in seventeenth century England, peers, baronets, knights, and esquires combined constituted roughly 1 per cent of the total population." Lenski, *Power and Privilege*, p. 219.

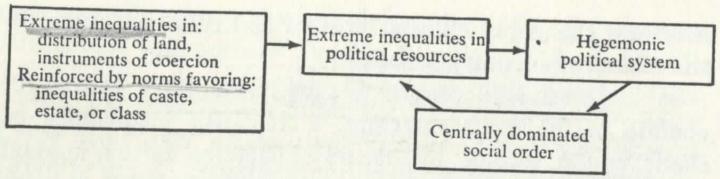

FIGURE 4.1 Dynamics of the Peasant Society

as Tocqueville insisted they were in the United States, then the one reinforces the other. Finally, in a number of cases both of these tendencies toward equality (or toward a lower limit on inequality) are strengthened by certain aspects of military

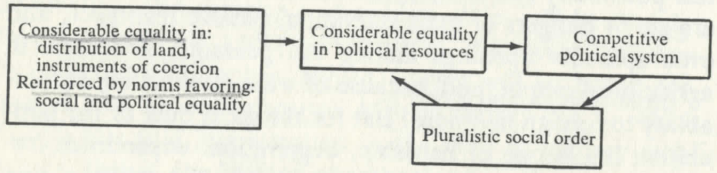

FIGURE 4.2 Dynamics of the Free Farmer Society

technology. In the United States, the musket and later the rifle helped to provide a kind of equality in coercion for over a century. In Switzerland the mountains, in Norway and New Zealand the mountains and fjords, the continental proportions and the enormous length of Chile—all reduced the prospects for a successful monopoly of violence by any one stratum of the population.[8] The way these factors interact in a society of free farmers is represented by figure 4.2.

8. Nor should one underestimate the effects on the use of violent coercion of beliefs and norms toward law, order, and individual violence. Of the two English-speaking countries in North America, Canada has traditionally been the more law-abiding and the less violent. See, for example, Seymour Martin Lipset, *Revolution and Counterrevolution* (New York: Basic Books, 1968), pp. 37–39. A Canadian writer has argued that these two cultures even displayed themselves during the Gold Rush:

> Canadian and U.S. mining camps grew up with varying legal customs, which to a considerable extent point up the very real difference between the Canadian and the U.S. character. The American, freed by his own will of what he considered colonial bondage, has always insisted on running his own affairs from the ground up—especially on the frontier. The Canadian, who never knew the blood bath of revolution, has more often preferred to have law and order imposed from above rather than have it spring from the grass roots.
>
> In the three British Columbia gold rushes, constabulary and courts of justice enforced a single set of laws in the British colonial tradition. Mining law was the same everywhere, and the gold commissioner in charge had such absolute power that the lawlessness so familiar to American mining history was unknown in the B.C. camps.
>
> But in the Rocky Mountain camps of the U.S.A., and later in Alaska, each community had its own customs and its own rules made on the spot. Authority was vested in the miners themselves, who held town meetings in the New England manner to redress wrongs or dispense justice . . . On Alaskan territory, during the hectic days of 1897–98, there was no organized machinery of government, to speak of: rule was by local committee, sometimes wise, sometimes capricious, always summary. On the Canadian side there was, if anything, too much government, as the graft in Dawson City was to demonstrate; but there were also, at every bend in the river, the uniformed and strangely comforting figures of the Mounted Police.
>
> Pierre Berton, *The Klondike Fever* (New York: Knopf, 1958), pp. 23–24.

9. The double arrow can be read as "implies" or "requires." Reading in the reverse direction from right to left, the symbol means "is a necessary condition for."

Commercial and Industrial Societies

Historically, commercial and industrial societies have been more hospitable than agrarian societies to competitive politics. Orthodox liberal doctrine explained this by establishing a connection between a pluralistic social order and a privately owned competitive economy: competitive politics requires a competitive economy. In effect classic liberal doctrine set forth the following equation:

$$\text{Competitive politics} \Rightarrow \text{a pluralistic social order} \Rightarrow \text{a competitive economy} \Rightarrow \text{private ownership}^{9}$$

For, it was argued, just as toleration of oppositions and the existence of a competitive representative government require a pluralistic social order, so a pluralistic social order in turn requires a competitive capitalist economy. At the same time, classical liberal thought argued that in order for a socialist economy to exist—and socialism was understood to be the only modern alternative to capitalism—there would have to be a completely centralized social order with access to social, economic, and physical sanctions concentrated in the hands of central authorities; obviously such a social order would require (and make possible) a hegemonic regime. The twin equation, then, was:

A socialist economy ⇒ a centrally dominated social order
⇒ a hegemonic regime

Thus classic liberalism rigidly premised the existence of competitive politics and later of polyarchy on competitive capitalism: it said, in effect, that you cannot logically choose to have the freedoms associated with competitive politics unless you also choose to have a competitive capitalist economy; if you choose to have a socialist economy, logically you are also opting for a hegemonic regime and the destruction of political liberties. After the Bolshevik Revolution, the Soviet Union could be cited as proof of these two equations, for there a highly hegemonic political system maintained a centrally dominated social order, a key element of which was its completely centralized socialist economy.

This analysis, though superficially persuasive, did not really demonstrate, however, that the equations were correct, and other historical developments have revealed their inadequacy.

Classical liberal economists like Adam Smith knew from the history of mercantilism that private ownership is not a *sufficient* condition for economic competition; the first equation only specifies that it is a *necessary* condition. Further experience with numerous dictatorships—in Italy, Germany, Japan, Spain, and elsewhere—has shown that private ownership is indeed no guarantee of a competitive economy or a political order that permits public contestation, much less polyarchy. The extreme cases—as in Italy, Germany, and Japan—demonstrated that a kind of private ownership[10] could coexist even with a centrally dominated social order.

Since the equations speak of necessary and not sufficient conditions, strictly speaking these developments left the argument intact. But other developments have actually falsified the equations. One is the persistence of inclusive polyarchy in countries with mixed (not strictly competitive-capitalist) economies that employ an endless variety of techniques and controls which, in combination, preserve and may even strengthen a pluralistic social order. One thinks of Sweden as the archetype. In 1959 expenditures of government, social security, and public enterprises were 53 percent of Sweden's GNP.[11] But practically all industrialized countries with polyarchal regimes have displaced pure competitive capitalism with mixed systems, and in the process they have managed to maintain pluralistic social orders.

Where the equations of classic liberalism went wrong was in supposing that any alternative to competitive capitalism necessarily required a centrally directed economy, whereas in fact competition among privately owned firms is by no means the unique method of decentralizing an economy.

10. Of course, this kind of ownership might not be equivalent to some definitions of "private" ownership. The term might be defined so that a centrally dominated social order would *by definition* exclude the existence of private ownership of the means of production and distribution.

11. Other figures were: U.K. 45%; Austria (with not all public enterprises included), 44%; and New Zealand, 43%. Russett et al., *World Handbook of Political and Social Indicators* (New Haven: Yale University Press, 1964), table 15, p. 63. It has been estimated that in Austria "75% of the total corporate capital is directly or indirectly in the public domain." Alexander Vodopivec, *Wer Regiert in Oster-reich?* 2d ed. (Vienna: Verlag für Geschichte und Politik, 1962), p. 255, cited in Frederick C. Englemann, "Austria: The Pooling of Opposition," in Robert A. Dahl, ed., *Political Oppositions in Western Democracies* (New Haven: Yale University Press, 1966), p. 270.

Indeed, in recent years some of the communist regimes of Eastern Europe have been moving away from central direction; among these, Yugoslavia has gone farthest in decentralizing controls over economic enterprises. If decentralized socialist economies prove capable of handling major economic problems with a fair degree of success, then there is no inherent reason why socialism cannot produce and sustain a highly pluralistic social order, and hence competitive politics.

The correct equations, in short, seem to be:

Competitive politics ⇒ pluralistic social order

⇒ decentralized economy

Highly centralized economy ⇒ centrally dominated social order

⇒ hegemonic regime

The argument of this chapter can thus be summed up as follows:

1. A competitive political regime, and therefore a polyarchy, is unlikely to be maintained without a pluralistic social order. A centrally dominated social order is more favorable to a hegemonic than to a competitive regime (and therefore to a polyarchy).

2. A competitive regime cannot be maintained in a country where the military or police forces are accustomed to intervening in politics, even if the social order is otherwise pluralistic and not centrally dominated.

3. Agrarian societies seem to approach two extreme types, the traditional peasant society characteristically associated with a hegemonic political regime and the society of free farmers characteristically associated with a competitive regime and evolution toward an inclusive polyarchy. The main factors determining the direction an agrarian society takes

seem to be: norms about equality, the distribution of land, and military techniques.

4. Private ownership is neither a necessary nor a sufficient condition for a pluralistic social order and hence for public contestation and polyarchy.

5. A pluralistic social order, and hence public contestation and polyarchy, can exist in a country with a decentralized economy, no matter what the form of ownership.

6. But public contestation, and hence polyarchy, is unlikely to exist in a country with highly centralized direction of the economy, no matter what the form of ownership.