

Chapter 7: Unlikely Paths to Parliamentary Democracy

A. The Rise of Parliamentary Is Only Half the Story

The last two chapters demonstrate that parliaments may gain significant authority from the king in exchange for special services or increases in tax revenues, which provides an explanation for the gradual increase in parliamentary authority that occurred in much of the West during the nineteenth century. The rise of parliament is, however, only half of the story of the peaceful transitions to parliamentary democracy. The next two chapters analyze possible rational choice–based explanations of changes in the procedures through which members of parliament are chosen. In both Northern Europe and Japan, suffrage and the power of parliament expanded gradually during the nineteenth century. These reforms, however, were not often always together, which suggests that these two types of reforms were not caused by exactly the same factors. Chapter 7 demonstrates that neither rising income nor popular revolution are likely to be the main explanation for the lawful and gradual expansion of suffrage widely observed in the West during the nineteenth century. Chapter 8 analyzes two more likely associations between industrialization and suffrage reform.

Parliamentary Rule without Popular Democracy

For several centuries, the members of parliament were selected through a mixture of royal and local appointments, which often emphasized loyalty and genealogy, rather than talent or broad popular support. Medieval parliaments generally represented regional, religious, and economic interest groups. Many, perhaps most, members of parliaments were not elected and when elected were selected by narrow electorates consisting of the wealthiest 5–10 percent of taxpayers, often with little competition for office. The early dynastic royal systems tended to reduce political competition and also to reduce interregional economic competition through various land and market privileges and through restrictions on labor mobility of various kinds. The use of broadly based elections

to select members of parliament became commonplace only in the late nineteenth and early twentieth centuries, even in countries where parliamentary systems existed for many centuries. This suggests that parliamentary systems are not necessarily destined to replace authoritarian regimes with democracy. Indeed, the medieval history of parliamentary systems suggests that they had evolved to support royal authority and protect the rents of local elites.

The natural point of departure for analysis of suffrage reform is, consequently, one in which the privilege of voting for representatives is defined by wealth or income. The role of the king in supporting or opposing electoral reform is neglected in order to focus on parliamentary incentives for expanding suffrage. In chapter 7, a number of theories of suffrage reform are criticized using rational choice models. Although increases in wealth associated with industrialization may be sufficient for the rise of parliament, it is not likely to be sufficient for the expansion of suffrage. In chapter 8, two other more plausible theories of suffrage reform are developed. It turns out that the mechanisms through which parliamentary supremacy and universal suffrage emerge are substantially independent of one another, although in the nineteenth century, both were associated with industrialization.

B. A Narrowly Elected Parliament's Disinterest in Suffrage Reform

Consider the following highly simplified model of parliamentary decisionmaking and the determination of voting rights. Suppose that citizens have preferences defined over private consumption, X_i , and a bundle of public services, G_i , that are uniformly available to all within the community, $U_i = u(X_i, G_i)$. Suppose further that each citizen has an endowment of labor, L_i , and capital, K_i , and that national income Y is produced via constant returns to scale using labor and capital under technology Z . This implies that national income can be represented as $Y = f(\sum L_i, \sum K_i, Z)$ and that each citizen's, i 's, income can be represented as $Y_i = wL_i + rK_i$, with $w = df/dL$, $r = df/dK$, and $Y = \sum Y_i$.

Let $C=c(G, Z)$ be the rate of transformation between private consumption good X and government service G . This implies that private consumption, X , can be characterized as $X = Y - c(G)$. Assume that government services are funded with a proportional tax on income just sufficient to fund the service level demanded, $tY = C(G)$. In this case, the citizen-voter will prefer the service level that maximizes:

$$U = u((1 - C(G_i, Z)/Y) Y_i, G_i) \quad (7.1)$$

which requires service level G_i to be such that:

$$u_x (- C_G / Y) Y_i + u_G = 0 \quad (7.2)$$

The implicit function theorem implies that the typical citizen's demand for government services is determined by:

$$G^* = g(wLi + rKi, Y, Z) \quad (7.3)$$

Each citizen demands services based on his or her endowment of labor and capital, the marginal product of those inputs and national income. Because only the initial endowments of productive inputs vary by person in this model, it is the variation in the initial endowments that determines the distribution of citizen demands for government services. Suppose that the frequency distributions of labor and capital are approximately independent and skewed in a manner that can be approximated with triangular distributions, with labor endowments distributed between 0 and maximal labor endowment, L^M , where $l(0) = 2/L_M$ and $l(L_M) = 0$, and capital endowments distributed between 0 and maximal capital endowment K^M with $k(0) = 2/K_M$ and $k(K_M) = 0$.

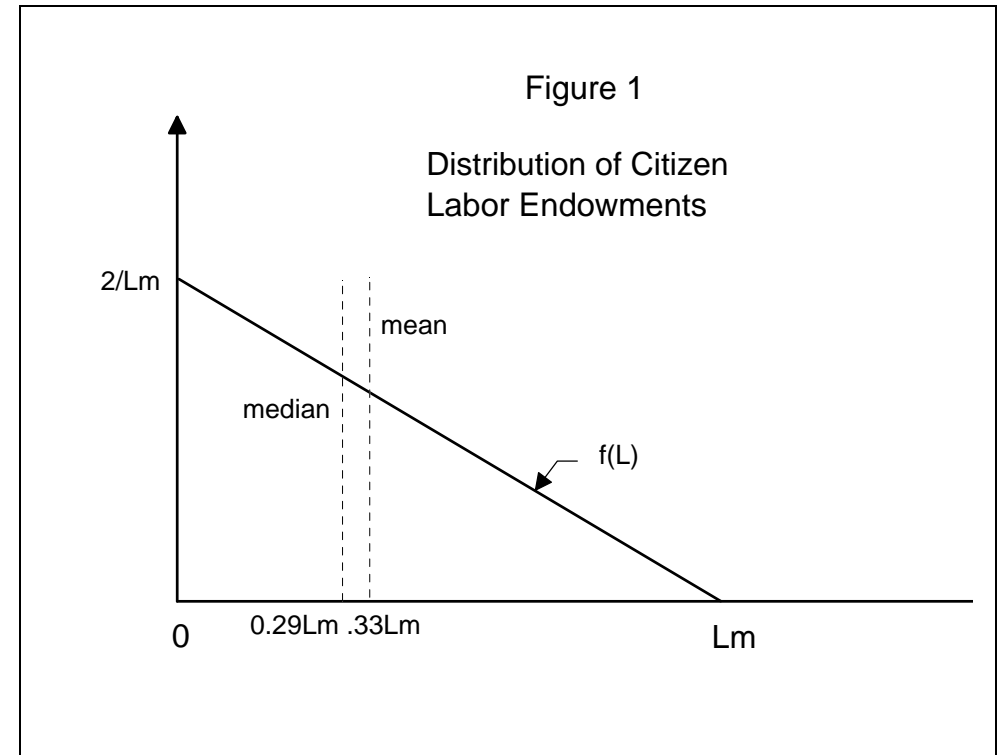


Figure 1 depicts the assumed distribution of labor endowments and labor-based incomes. The triangular assumption is not crucial for the present analysis, but does assure that voter interests differ somewhat and that median income is below average income, as tends to be the case in most observed income distributions, particularly in societies with little occupational mobility. The distribution of income, Y_i , can be written as $Y_i \sim rL_i + wK_i$ within the domain of realized incomes.⁷¹ It can be shown that the mean of the income distribution is $Y_A = (rK_M + wL_M)/3$ and its median is $Y_v = (wL_M + rK_M)(2 - \sqrt{2})/2$.⁷²

⁷¹ The sum of two linear monotone decreasing functions is also linear and monotone decreasing.

⁷² The two triangular density distributions can be written as $F_L = (2/L_M - 2L/L_M^2)$ and $F_K = (2/K_M - 2K/K_M^2)$. Average income is denoted Y_A and can be characterized with:

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In a polity in which all citizens are eligible to vote and a median voter exists, two-candidate or two-party competition for office tends to converge to the policy preferences of the median voter. In most contemporary models, the median voter can be represented as the *citizen* with the median endowment of capital and labor. Note, however, that the median *voter* is not always *the citizen* with median endowments or income, because the distribution of endowments for the citizenship may differ significantly from that of the persons lawfully entitled to vote. In modern democracies, suffrage eligibility is determined by citizenship and age, with the consequence that the median voter is older than the median citizen. (Children cannot vote.) For much of the history of parliamentary systems, eligibility to vote was determined by tax payments or land holdings, and consequently, the median voter was generally a citizen with substantially greater income than that of the median citizen.

Suffrage restrictions can easily be incorporated into the standard electoral model. Suppose that citizens are allowed to vote whenever their labor income tax payment is greater than TL or their capital income tax is greater than TK. The tax rate is assumed to be determined by expenditures, with $t = c(G^*, Z)/Y$. Note that a tax payment-based suffrage system can be restated in terms of economic wealth and income. Given the

assumed distribution of productive resources, only citizens whose labor endowment satisfies $twL_i > TL$ or whose capital endowment satisfies $trK_i > TK$ are entitled to vote. In endowment terms, citizens with a labor endowment greater than L^E with $L^E = T^L/tw$ or with a capital endowment greater than K^E , with $K^E = T^K/tw$, are able to vote, as long as service levels and production costs are stable.

Eligibility to vote in such systems is partly based on endowments, partly on productivity (insofar as productivity is reflected in wage rates and the return on capital), and partly on the general price level. For the present analysis, assume that the economic determinants of wage rates and the rate of return on capital are stable. This would tend to be the case in economic steady states and for short-run analysis where it is normally assumed that a constant supply of capital and labor is employed using a particular production technology.

Under these conditions and a triangular distribution of the endowments, L_v and K_v , the median holding of capital and labor will satisfy:

$$\begin{aligned} &_{TL/tw} \int^{L_v} w(2L/L_M - L^2/L_M^2) dL + {}_{TK/tw} \int^{K_v} r(2K/K_M - K^2/K_M^2) dK \\ &= {}_{L_v} \int^{L_M} w(2L/L_M - L^2/L_M^2) dL + {}_{K_v} \int^{K_M} r(2K/K_M - K^2/K_M^2) dK \end{aligned} \quad (7.4)$$

$$Y_A = \int_0^{L_M} wL(2/L_M - 2L/L_M^2) dL + \int_0^{K_M} rK(2/K_M - 2K/K_M^2) dK$$

or

$$Y_A = (rK_M + wL_M)/3$$

Median income can be found at the labor capital combination that equates the cumulative income below the median with that above the median. Because of the assumed independence in factor endowments, one such combination is found at the medians of the labor and capital distributions. The median of the income distribution can be characterized as the voter with median holdings of labor, L_v , and capital, K_v , and median income as:

$$\int_0^{L_v} wL(2/L_M - L/L_M^2) dL + \int_0^{K_v} rK(2/K_M - K/K_M^2) dK = {}_{L_v} \int^{L_M} wL(2/L_M - L/L_M^2) dL + {}_{K_v} \int^{K_M} rK(2/K_M - K/K_M^2) dK$$

The medians of labor and capital distributions are $L_v = L_M(2 - \sqrt{2})/2$ and $K_v = K_M(2 - \sqrt{2})/2$, respectively, given the assumed triangular distributions. Median citizen income is, consequently, $Y_v = (wL_M + rK_M)(2 - \sqrt{2})/2$, where w and r again reflect the marginal product of labor and capital for the total employment of labor and capital.

Note that $(2 - \sqrt{2})/2 = 0.2929 < 1/3$; median income is less than average income. Triangular distributions are, of course, skewed distributions with different modes, means, and medians.

in which case, the median voter's income is:

$$Y_v = (w(L_M - T^L/tw) + r(K_M - T^K/tw)) (2 - \sqrt{2})/2. \quad (7.5)$$

and he or she will demand service level:

$$G^* = g(Y_v, Y, Z) \quad (7.6a)$$

or

$$G^* = \gamma(L_v, K_v, T^L, T^K, Y, Z) \quad (7.6b)$$

Note that *suffrage rules partly determine government policies* by determining the identity of the median voter and the composition of parliament.

Suffrage laws in most polities can be modified through acts of parliament. Equation 6b allows the present median voter preferences over election law to be characterized with the indirect utility function:

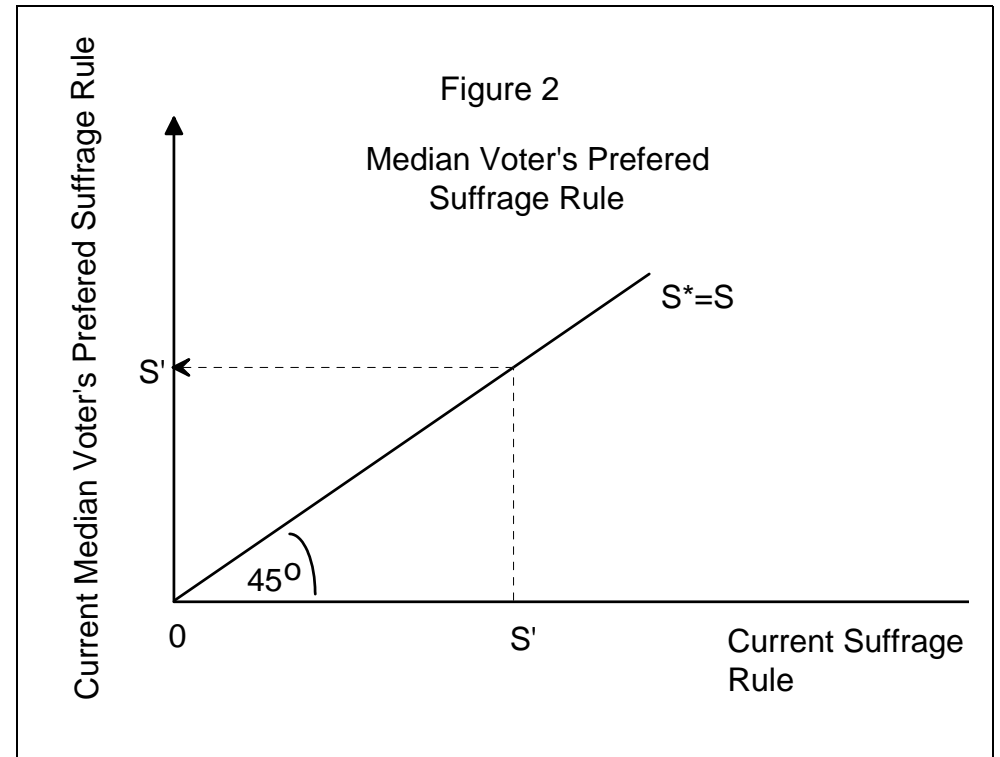
$$U_v^* = u(1 - C(\gamma(L_v, K_v, T^L, T^K, Y, Z), Z)/Y) Y_v, \gamma(L_v, K_v, T^L, T^K, Y, Z) \quad (7.7)$$

Differentiating equation 7 with respect to T^L and T^K and applying the envelope theorem allows the first-order conditions for the median voter's optimal suffrage laws to be characterized.

$$U_{v^*T^L} = (u_C C_G - u_G) G_\gamma \gamma_{TL} = 0 \quad (7.8a)$$

$$U_{v^*T^K} = (u_C C_G - u_G) G_\gamma \gamma_{TK} = 0 \quad (7.8b)$$

Equations 7.8a and 7.8b imply that the present suffrage qualifications T^L and T^K are *already optimized for the present median voter*. No other combination of wealth requirements for suffrage will generate a better service-tax combination for the pivotal voter, because the present value of G^* maximizes the median voter's welfare under the present electoral laws (and the assumed tax constitution). The median voter at a given point in time is



completely satisfied with the existing suffrage laws, because these made him the pivotal voter!

Other things being equal, the present median voter is content to be the median voter and has no interest in enacting laws that will “worsen” policy by creating a new pivotal voter. The use of majority rule to select members of parliament and/or within parliament for selecting policies does not by itself generate a political impulse for universal suffrage.

C. Economic Growth Does Not by Itself Induce Suffrage Reform

A restricted franchise of the sort modeled above was widely used in nineteenth-century Europe. Such income and tax payment based laws tend to become less restrictive through time as capital is accumulated and government services expand, because these tend to increase both income and taxes. Technological advance similarly increases income by increasing the productivity of both labor and capital, and in many

cases land as well. Wealth-based rules for suffrage consequently imply that a somewhat larger electorate and somewhat new median voter tend to emerge in every election cycle during periods of economic growth and during periods of economic contraction.⁷³

The direct electoral effect of economic growth on suffrage under stable tax- or income-based suffrage rules, consequently, tends to make the present median voter somewhat worse off. After all, it is only by being the median voter that a particular citizen can realize his or her most preferred government service levels. A forward-looking median voter would be inclined to *tighten* gradually the eligibility rules for suffrage by increasing the wealth or income requirements for electoral qualification, so that he or she remains the median voter as economic growth takes place.

Consequently, if the present median voter always had his or her way on suffrage reform, industrialization would tend to be associated with electoral rules that gradually become more demanding, rather than less demanding, through time. The median voter's desire to maintain his position as median voter is not entirely compatible with a stable set of tax- and wealth-based rules for voter eligibility.⁷⁴

Unfortunately for the median voter, however, the rules that determine voter qualifications are usually more difficult to change than ordinary policies are. It is clear to all members of parliament that changes in the rules governing suffrage are major policy decisions, because they may potentially undermine existing coalitions of political interests by changing the electoral equilibrium in each district. Debate on suffrage issues, consequently, tends to be extensive and normally runs through several terms of office. The stability of rules governing suffrage is partly a consequence of the somewhat lengthy process through which most quasi-constitutional laws and major policies come to be

adopted and partly of the institutional conservatism of members of parliament. The median members of parliament are inclined to resist changes in suffrage law, that they do not fully understand, and if the members change as a consequence of rapid economic growth or decline, they are inclined to veto suffrage reforms designed to assure that the previous median voter regains electoral control of parliament.

In this manner, political uncertainties associated with changing election laws, together with the immediate interests of successive parliaments, tend to increase the stability of the qualifications for suffrage, even during periods when other policy interests of the median voter change through time.

It also bears noting that other supporting parliamentary procedures and norms often support the political stability of a given electoral rule in various ways (Shepsle and Weingast 1981) and may also reduce the ability of a temporary majority to capture parliament and thereby governance permanently (Congleton 2003). Such stable electoral systems are likely to be acknowledged as important features of existing political systems and will be further supported by rational institutional conservatism on the part of voters, insofar as changes in those rules may possibly undermine existing institutions in unexpected ways. Ideological support for suffrage laws and for suffrage reform is taken up in Chapter 8. For now, we focus on the strictly tangible interests of voters and their representatives.

D. Other Possible Rationale's for Suffrage Reform

Differences in individual circumstances, tastes, and ideology imply that many citizens tend to be dissatisfied with the present rules governing suffrage, including many who are

⁷³ This purely economic route to suffrage expansion in periods of rapid growth can be as important as major reforms of suffrage laws. This method of obtaining suffrage was historically important in both the United Kingdom and Sweden, where suffrage rates approximately doubled, largely as a consequence of income increases, rather than suffrage reform.

⁷⁴ There are historical cases in which suffrage reforms gradually introduced more restrictive qualifications for the right to vote. For example, in 1620–63, there was essentially universal free male suffrage for selecting the members of Virginia's colonial parliament (although restricted somewhat by a poll tax), after which suffrage was limited to "freeholders" and increasingly restrictive definitions of freeholder were introduced. By 1736 the franchise was limited to white male Protestant freeholders (owning least a 100 acres of land) and who were 21 years of age and resided in the counties in which they offered to vote. See McKinley (1905: ch. 2). Similar reductions in the scope of suffrage were also common in the other colonies in the early eighteenth century.

entitled to vote. For example, voters with relatively large capital, land, or labor holdings tend to prefer more restrictive rules and voters with smaller endowments, who tend to prefer less restrictive rules. For these dissatisfied citizens, election law reform can potentially generate a new median voter whose preferred policies are closer to their own. The question addressed in the remainder of this chapter is whether such demands for suffrage reform are likely to produce suffrage reform, directly or indirectly through nonelectoral means.

Taxation Only with Representation and Suffrage Reform

The tax constitution implicit in the model used to this point allows the government to tax anyone that it wishes, although all taxpayers must be taxed at the same rate. Suppose instead that the tax institutions required only those with the privilege of suffrage to pay taxes. Such reasoning clearly played a role in the early European and American theories of representation, insofar as only substantial taxpayers were given the privilege of voting or were eligible for positions in parliament and those not represented were not directly taxed. In this, the logic of the tax council was extended to electoral law. Similar logic also applies to settings in which territorial boundaries limit both tax base and electorate. If a group petitions to be included in a polity, it normally negotiates for representation or suffrage rights before agreeing to enter.

In such cases, suffrage rules not only determine the identity of the median voter, but also the tax base available to the polity. When a polity's tax base is affected by the degree of suffrage, the present median voter and his representative in parliament may have a fiscal interest in suffrage reform.

The median voter's fiscal interest in expanding suffrage can be characterized by modifying equation 7 to take into account the effect of changes in suffrage on the tax base Y . Let Y be redefined as the size of the income tax base, which under the assumed tax constitution is a decreasing function of the wealth or income-tax qualifications for suffrage, $Y = y(T^L, T^K)$. It is clear that changes in suffrage laws will generate a new median voter who will have different demands for public services and also for suffrage laws, but

in this case the new median voter *will not veto* the reforms that have made him or her the pivotal voter. The fiscal effects of the new median voter is accounted for by the implicit function describing G^* and in the cost-sharing rule through effects on the ratio of median income to national income Y_v/Y .

The present median voter's own income, Y_v , is not affected by changes in suffrage although his future tax price for government services is affected. The present median voter's preferred suffrage eligibility rule now maximizes:

$$U_v = u(1 - C(G^*, Z)/y(T^L, T^K))Y_v, G^* \quad (7.9)$$

$$\text{with } G^* = \gamma(L_v, K_v, T^L, T^K, y(T^L, T^K), Z)$$

which requires:

$$U_{vTL} = [u_x(-C_G/Y)Y_v + u_G]G^*_{TK} + u_x[Y_{TL}C(G^*)Y_v/Y^2] = 0 \quad (7.10a)$$

and

$$U_{vTK} = [u_x(-C_G/Y)Y_v + u_G]G^*_{TK} + u_x[Y_{TK}C(G^*)Y_v/Y^2] = 0 \quad (7.10b)$$

The first set of bracketed terms are the effects of increased suffrage restrictions on government services and the costs of those services; the second set of bracketed terms characterizes the effect of suffrage restrictions on the overall tax base.

In equilibrium, the income of the new median voter is the same as that of the present one, which allows the marginal effects of suffrage rules on G^* to be neglected, because $u_x(-C_G/Y)Y_v + u_G = 0$. In that case, equations 7.10a and 7.10b imply that the median voter will expand suffrage up to the point where the tax base is maximized, which occurs at the point where $Y_{TL} = Y_{TK} = 0$. Essentially all taxpayers are allowed to vote in this case, but not nontaxpayers.

If the income of the new median voter is expected to differ from the present one, the first-order conditions imply that the present median voter will tradeoff marginal losses from changes in government services against marginal savings from an expanded tax base. It is also possible that no reform of suffrage laws will be adopted, because the marginal

losses from new service and tax levels can be larger than the median voter's marginal tax savings from a somewhat broader tax base. Only if the anticipated tax savings more than offset marginal losses from "suboptimal" service will suffrage be expanded.

Note also that new suffrage laws are stable only if the new median voter is opposed to further changes in suffrage. The same tax-based analysis implies that this may not be the case. It is clearly possible that the new median voter, facing similar tradeoffs, will also be interested in expanding suffrage. In limiting cases, an initially small increase of suffrage might be gradually expanded to include all taxpayers as a series of suffrage expansions are adopted and ratified by successively poorer median voters. Economic growth could play a role in this process of suffrage reform, insofar as economic development increases the wealth and tax worthiness of relatively low income citizens.

This path to suffrage reform, however, depends on a somewhat unrealistic tax constitution in which only the enfranchised can be taxed. Essentially all members of parliament would *vote to eliminate* such restrictions so that nonvoters can be taxed without expanding suffrage. Breaking the link between tax payments and suffrage expands the potential scope of public services, salaries, honors, and so forth for all those currently represented.

To prevent parliament from taxing those not represented in parliament requires strong ideological support for such tax constitutions, or the ability of nonvoters to resist taxation. The latter tends to be difficult, because organizing an effective league of nonvoting taxpayers to oppose taxation is a difficult task.

E. Protests, Revolutionary Threats, and Suffrage Reform

Given the absence of "spontaneous" economic pressures for reform, those not represented in government may try to organize themselves to press for reform through persuasive means or in extreme cases to threaten a revolution against the present institutional arrangements. Both types of organizations are difficult to organize, but the

latter are more difficult insofar as more than mass meetings and words are required to create a credible threat.

Organizing a Peaceful Protest

The creation of an organized political interest group occurs for reasons similar to those of other organizations. There are economies of scale that can be realized by developing persuasive arguments, organizing meetings of persons with shared interests, and in lobbying parliament and organizing peaceful demonstrations that reveal the breadth of support for a given policy or reform. Formeteurs, thus, may attempt to form political organizations if they can profit from such organizations either financially or by significantly increasing the likelihood of desired reforms. For example, if formeteurs can provide a reward of $R > 1$ in the "Protest Game" illustrated below, potential participants will find it to their private advantage to assemble at the designated time and place and participate in public demonstrations supporting suffrage reform or other policy changes.

It is for partly to increase "R" political organizers often include music, food, rousing speeches, prayers, and other forms of entertainment at their meetings and mass demonstrations. The required coordinating reward tends to fall in cases in which particular forms of political expression are enjoyable activities for significant numbers of persons, or if participation in large gatherings of persons who share "important goals" is satisfying or comforting for the participants.

The difficulty of organizing such groups, however, is often greater than for other economic goals, because only relatively liberal governments tolerate groups favoring changes in existing policies or procedures. Even relatively liberal governments may fear that large groups will overwhelm normal law enforcement and shift from peaceful to destructive activities. Additional law enforcement is often thought necessary for crowd control, but is not always sufficient to discourage thuggery of various sorts, although it is always expensive to provide. Moreover, property destruction and fights tend to reduce the perceived effectiveness of the government's law enforcement abilities and diminish the

efficiency of its efforts to police other crimes, which further increases the costs of law enforcement in general.

Consequently, efforts to organize groups favoring major policy and procedural reforms are often opposed by the persons represented in government that benefit from current policies. Insofar as they are already in the majority in parliament, they can, for example, pass laws that impose penalties on political formeteurs and on those participating in public demonstrations of support for new policies. Most societies have laws that govern large gatherings, and many have laws against particular organizing for political purposes. Many others have rules on what can and cannot be published in newspapers and books. In such cases, both potential formeteurs and potential protesters will consider these “artificial” costs of organization along with the other costs and benefits associated with memberships in political organizations.

Game matrix, 7.1, illustrates how rewards and penalties can be used to encourage and discourage political organizations and public protests. The game to the left of the matrix is the “natural” assurance game of political organization. The game to the right characterizes how rewards, R, and penalties, P, can be manipulated to encourage or discourage participation in the political organization.

The potential gains from organization are 4 units in the illustration, $(3+3) - (1+1)$. These unrealized gains imply a formal political organization can potentially be fruitful for its members and leadership. In the absence of governmental opposition ($P=0$), rewards greater than 1 unit are sufficient to induce attendance at the organization’s meeting or mass demonstration.

However, the finite nature of the gains also implies that a finite expected penalty, P, exists that is sufficient to discourage all such organizations. In the case illustrated, a penalty greater than 3 is clearly sufficient to discourage the formation of political organizations and would cause an organized group to disintegrate. Given $R < 3$ and $P > 3$, each potential protester finds him or herself better off free riding (staying at home) than protesting regardless of choices made by others.

Table 7.1

The Assurance Game for Popular Demonstrations			Organizational Solution for Popular Demonstrations Opposed by Government		
	Potential Protester B			Potential Protester B	
	Protest	Stay Home		Protest	Shirk
Protest (A)	3, 3	0, 0	Protest (A)	3+R - P, 3+R-P	R-P, 0
Stay Home (A)	0, 0	1, 1	Shirk (A)	0, R-P	1, 1
Exit (A)	1, 1	1, 1	Exit (A)	1, 1	1, 1

The cell entries are utilities, the rank order of subjective payoffs for the team members (A, B). In the “natural case,” it is assumed that both team members shirk, for example, conduct their ordinary private lives.

Such punishment schemes may be overcome by formeteurs of the group, if expected penalties are modest. The rewards of participation can be increased to counter penalties if the punishments are modest or if punishments are unlikely to be imposed by the police or army (who might sympathize with the political goals of some political organizations). Secret meetings can also be organized to reduce expected penalties.

As long as the government retains the loyalty of those charged with imposing punishments, however, punishments can easily be increased to discourage the formation of organizations in many high stake settings as well. Secret efforts can be discouraged by imposing higher penalties on political organizers and those discovered to have attended the meetings. The death penalty for “conspiracy” and “treason” can be very effective deterrents. Such governmental strategies can essentially eliminate publicly organized political meetings and demonstrations. Clearly, organizing lobbying campaigns and public demonstrations cannot easily be done in secret.

Such threats, of course, need not lead to large numbers of convictions in practice. To the extent that the promised punishments are credible, no protests take place and no punishments are necessary. Domestic pressures for reform can, thus, easily be diffused by strong governments, and the lack of significant protest may cause many to believe that support for the government is stronger than it actually is.

Difficulties of Organizing a Democratic Revolt

In such conditions, it may appear to potential formateurs that secretly organized revolts or revolutions are necessary if those presently outside government are ever to directly influence public policy. The organization of a revolt, however, is much more difficult than simply organizing peaceful public demonstrations of support or opposition for public policies or for institutional reform. More resources are needed, and the threat to the existing order is greater and so tends to be resisted more intensively. On the other hand, it is clear that there are economies of scale in organizing a revolt, and that formal organizations are likely to be better able to produce the physical threat required than are informal “natural” organizations.

Formateurs that attempt to organize a revolt must overcome team production and assurance problems. This requires a formal organizational structure, often one that is very hierarchical and disciplined, insofar as military action is contemplated. (Armies have long been more effective than mobs and other unmanaged groups, which is of course, why village and national defense is normally an organized activity, rather than an unorganized activity left to spontaneously formed citizen defense assemblies.) To win a “revolutionary” civil war, normally requires defeating the existing government’s standing army.

Obviously, effective governments will be able to discover large organizations, and can easily threaten punishment for membership in small organizations. Imposing punishments on large organizations is more difficult, but normally a large organization begins as a small one.

Essential elements of the problem of organizing a revolutionary army are similar to those of the previous game, although in this case the size of the organization appears to have a more important effect on expected punishments associated with membership. Assume that there are just two possible outcomes, the status quo ante and the outcome of a successful revolt. The difference between a person’s net benefits in the pre- and post-revolutionary state can be called their “stake” in the revolution. In principle, an individual’s revolutionary stake can be positive or negative according to whether he or she

expects to be better or worse off if the revolution succeeds. Suppose that the probability of successful revolt increases with the number of active participants. The probability function of successful revolution may be written as: $F = (m/n)^{(1-g)}$, where m is the membership of the revolutionary organization, n is the number of persons in the community at large, and g represents the government’s ability to resist revolutionary pressures.

The ability of a government to discourage such organizations is affected by a variety of resource considerations, including the size and discipline of its own military and law enforcement systems, as well as the internal norms of the present government and support within the community at large (who may provide information about conspirators). In the case in which the government imposes expected penalty P on members of the revolt and the revolutionary organization provides reward R for membership, an individual’s decision to join can be illustrated in table 7.2.

Table 7.2: The Revolt Game for Constitutional or Policy Reform

Strategies	Number of Revolters				
	0	1	2	m	All
Join Revolt	P, P	$(1/n)^{(1-g)}S + R - P$	$(2/n)^{(1-g)}S + R - P$	$(m/n)^{(1-g)}S + R - P$	S + R
Do Not Join	0	0	0	0	0
Exit	E	E	E	E	E

The cell entries are expected utilities, S is the net benefit of successful revolt, R is the reward of participating in the revolution, and P is the expected penalty associated with participation. E is the net benefit of moving to another community. In a community with a stable population, $E < 0$.

If $(m/n)^{(1-g)}S_i + R - P > 0$, then individual i joins the revolt. Even in this simple representation, the decision to join or not is affected by a number of considerations. For individuals with positive stakes in the revolt, there will be a membership size beyond which participating in the revolt increases expected utility, m^* . If the organization is smaller than m^* , individuals choose to free ride.

In the special case in which all persons have the same stake, $S > 0$, then the game resembles the assurance game above, in the sense that if all would join if $m > m^*$, because the result would be better than the status quo. In such cases, either the unrepresented part of society revolts or it does not, and it is clear that an effective government can easily manipulate P and g to assure the absence of revolutionary organizations.

In settings in which the stakes vary within the community of potential revolutionaries, membership does not necessarily fall to zero for finite values of P and g . The smallest group that a person i will join is $m^* = (n)/(P-R)/S_i^{1/g}$, which falls with states and organizational rewards, which increases with population and expected penalties. A government that is perceived to be weak or failing tends to confront stronger revolutionary movements, which is why small secret associations often attempt political assassinations and disruptions of ordinary law in order. Persons with very high expected benefits from joining such groups, as often the case of persons with strong religious and ideologically motivated policy goals, will be more inclined to join small secret revolutionary associations than individuals with moderate (economic) interests in revolt.

In some unusual circumstances, as noted by Weingast (2006), a political or economic crisis can increase S to high levels for many persons in a given society, and cause large groups to form rapidly. Moreover, as Kuran (1989) points out, success tends to increase the size of movements as assessments of P increase in response to evidence (or credible claims) of progress; however, if the organization itself is not able to generate enough resources to be self-sustaining, as noted by Ferraro (2002), even small revolutionary groups may disintegrate. Indeed, both potential formateurs and potential members may simply leave the community if exit options are relatively more attractive than those at home, $E > 0$, and reform is thought very unlikely.

An effective government can often impose relatively large P on revolutionary participants without inducing fear among nonparticipants (which tends to increase S and E) and without indicating that the group is relatively large (and thus, possibly, worth joining). Laws against treason will be aggressively enforced; rewards for providing the ruler(s) with credible evidence of conspiracies will be high; commissions, rather than individuals, may be given responsibility for internal policymaking (to minimize risks from internal defections); and potential rivals to present government leaders may be rotated or exiled in a manner that reduces opportunities for opponents to acquire support within or outside government. A successful revolt tends to require relatively high stakes (high S), relatively high rewards (R), and relatively weak governance (low g), as argued by Tullock (1974, 1987).

It bears noting that small groups operating within government tend to have higher prospects for success than large groups operating outside of government, because scale makes large conspiracies easier to detect and punish than small ones. The private advantages of participating in a palace coup also tend to be greater than those associated with a popular uprising, although the aggregate benefits obtained by replacing extractive or dysfunctional governments can be very large. Palace coups, consequently, are organized more frequently than popular revolts. Indeed, a new dictator's various organizational problems imply that a particular autocrat's "term of office" is likely to be ended by an internal overthrow or coup d'état, as insiders silently shift their support among competing organizations on the basis of their anticipated success (Biennen and van de Walle 1989, Tullock 1987: 9).

In general, revolutionary organizations are less likely to succeed than palace coups, because a reasonably well-informed government can more easily detect and block large organizations than small ones. Moreover, it bears noting that even a successful revolution

is unlikely to establish may democratic reforms. In most cases, the preexisting institutions of government will be retained, because they are known to work tolerably well, and thus even revolutionaries are inclined to be institutionally conservative. Moreover, revolutionary formeteurs are in most cases charismatic individuals or small groups of activists and their organizations are normally hierarchical, rather than democratic.⁷⁵ As true of other organizations, formeteurs normally retain control of their organizations, whether they are economic, military, or political ones.

F. Rational Choice and the Stability of Suffrage Law

Overall, both the interests of those who already are represented in government and those who organize revolutionary forces that overthrow an existing regime tend be uninterested in democratic reforms such as suffrage expansion. This is not because no one has an interest in such reforms, nor because it is always more difficult to organize a large group than small group, but rather because the interests of those in government before and after a revolt tend to favor continuation of existing procedures.

The stability of suffrage law in polities with long standing elective parliaments is no accident, the existing median voter prefers the rules that allow him to substantially obtain his preferred public policies. This satisfaction with narrow suffrage laws is not affected by changes in voter income. Nor is the fact that there are far more overthrows of governments than there are democratic revolutions entirely an accident. Successful overthrows are often organized by insiders rather than outsiders, and in those few cases in which outsiders orchestrate a successful civil war against the existing government, the

hierarchical requirements of warfare and institutional conservatism tend to favor a continuation of the organization's hierarchical methods of decision making, rather than the adoption of radically more open and competitive ones.

Stable "undemocratic" procedures for selecting members of parliament or cabinets do not imply, nor require, a grand consensus favoring narrow qualifications for suffrage. Stable procedures only require a sufficient consensus among those with the authority to adopt suffrage reforms that existing electoral methods are better than the alternatives. Indeed, within parliaments that make policy decisions using majority rule, only the median member necessarily prefers continuation of the existing rules.

For existing suffrage rules to be revised, the interests of those with the authority to change them must also change, or new more credible threats from outsiders must emerge.

⁷⁵ It bears noting that George Washington was not a formeteur, but rather the agent of a council of colonial leaders, most of whom were representatives of elected colonial governments (parliaments). The new national government was essentially a mutual defense treaty among colonial governments. Article 1 states that "Each state retains its sovereignty, freedom, and independence and every power, jurisdiction, and right, which is not by this Confederation expressly delegated to the United States, in Congress assembled." Article 2 clearly states that "The said States hereby severally enter into a firm league of friendship with each other, for their *common defense*, the security of their liberties, and their mutual and general welfare, binding themselves to assist each other, against all force offered to, or attacks made upon them, or any of them, on account of religion, sovereignty, trade, or any other pretense whatever."

Colonial governments had the usual incentives to retain office (political authority) before, during, and after the revolution. George Washington, however, did not resist their authority after the war. As noted below in chapter 18, the colonial legislatures were long-standing parliamentary bodies, rather than new revolutionary organizations.