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## Documentation

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# The Trilateral's 'Crisis of Democracy'

*Published in 1975 by New York University Press, Samuel P. Huntington's The Crisis of Democracy constituted the final report of the Trilateral Commission's Task Force on the Governability of Democracies, which was set up in the spring of 1974 following the severing of the dollar from gold, the Watergating of President Richard Nixon, the first major oil hoax, and other crises prearranged by the Eastern Establishment. According to the book, the Western world was entering into a period of economic scarcity in which the current "excess of democracy" would make it extremely difficult for governments to impose discipline and sacrifice on their peoples.*

*The following are excerpts from Huntington's chapter on the United States. Subheads have been added.*

The vigor of democracy in the United States in the 1960s thus contributed to a democratic distemper, involving the expansion of governmental activity, on the one hand, and the reduction of governmental authority, on the other. This democratic distemper, in turn, had further important consequences for the functioning of the political system. The extent of these consequences was, as of 1974, still unclear, depending, obviously, on the duration and the scope of the democratic surge.

The expansion of governmental activity produced budgetary deficits and a major expansion of total governmental debt. . . . The major expansion of unionism in the public sector . . . made the the salary and wage determinations for governmental employees a central focus of political controversy. Unionization produced higher wages and more vigorous collective bargaining to secure higher wages. Strikes



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by public employees became more and more prevalent. . . . Governmental officials were thus caught between the need to avoid imposing higher taxes to pay for the higher wages which the governmental employees demand. The easiest and obviously most prevalent way of escaping from this dilemma is to increase wages without increasing taxes and thereby to add still further to governmental deficits and for demands for still higher wages. To the extent that this process is accompanied by low or negative rates of economic growth, tax revenues will be still further limited and the whole vicious cycle still further exacerbated.

At the same time that the expansion of governmental activity creates problems of financial solvency for government, the decline in governmental authority reduces still further the ability of government to deal effectively with these problems. The imposition of "hard" decisions imposing constraints on any major economic group is difficult in any democracy and particularly difficult in the United States, where the separation of powers provides a variety of points of access to governmental decision-making for economic interest groups [This is the same argument made by former Carter White House Counsel Lloyd Cutler in calling for dumping constitutional government in favor of British parliamentarianism—ed.]. During the Korean War, for instance, governmental efforts at wage and price control failed miserably, as business and farm groups were able to riddle legislation with loopholes in Congress and labor was able to use its leverage with the Executive branch to eviscerate wage controls. All this occurred despite the fact that there was a war on and the government was not lacking in authority. The decline in governmental authority in general and of the central leadership in particular during the early 1970s opens new opportunities to special interests to bend governmental behavior to their special purposes. . . .

Finally, a government which lacks authority and which is committed to substantial domestic programs will have little ability, short of a cataclysmic crisis, to impose on its people the sacrifices which may be necessary. . . .

### An 'excess' of democracy

Al Smith once remarked that "the only cure for the evils of democracy is more democracy." Our analysis suggests that applying that cure at the present time could well be adding fuel to the flames. Instead, some of the problems of governance in the United States today stem from an "excess of democracy" in much the sense in which David Donald used the term to refer to the consequences of the Jacksonian revolution which helped to precipitate the Civil War. Needed, instead, is a greater degree of moderation in democracy.

In practice, this moderation has two major areas of application. First, democracy is only one way of constituting authority. During the surge of the 1960s, however, the democratic principle was extended to many institutions where it can, in the long run, only frustrate the purposes of those

institutions. . . .

Second, the effective operation of a democratic political system usually requires some measure of apathy and non-involvement on the part of some individuals and groups. In the past, every democratic society has had a marginal population . . . which has not actively participated in politics. In itself, this marginality on the part of some groups is inherently undemocratic, but it has also been one of the factors which has enabled democracy to function effectively. Marginal social groups, as in the case of blacks, are now becoming full participants in the political system. Yet the danger of overloading the political system with demands which extend its functions and undermine its authority still remains. Less marginality on the part of some groups thus needs to be replaced by more self-restraint on the parts of all groups. . . .

Over the years, the American political system has emerged as a distinctive case of extraordinarily democratic institutions joined to an exclusively democratic value system. Democracy is more of a threat to itself in the United States than it is in either Europe or Japan where there still exist residual inheritances of traditional and aristocratic values. The absence of such values in the United States produces a lack of balance in society which, in turn, leads to the swing back and forth between creedal passion and creedal passivity. Political authority is never strong in the United States, and it is peculiarly weak during a creedal passion period of intense commitment to democratic and egalitarian ideals. In the United States, the strength of democracy poses a problem for the governability of democracy in a way which is not the case elsewhere.

### **Limits to growth**

The vulnerability of democratic government in the United States thus comes not primarily from external threats, though such threats are real, nor from internal subversion from the left or the right, although both possibilities could exist, but rather from the internal dynamics of democracy itself in a highly educated, mobilized, and participant society. "Democracy never lasts long," John Adams observed. "It soon wastes, exhausts, and murders itself. There never was a democracy yet that did not commit suicide." That suicide is more likely to be the product of overindulgence than of any other cause. A value which is normally good in itself is not necessarily optimized when it is maximized. We have come to recognize that there are potentially desirable limits to economic growth. There are also potentially desirable limits to the indefinite extension of political democracy. Democracy will have a longer life if it has a more balanced existence.

The governability of a society at the national level depends upon the extent to which it is effectively governed at the sub-national, regional, local, functional, and industrial levels. In the modern state, for instance, powerful trade union "bosses" are often viewed as a threat to the power of the state. In actuality, however, responsible union leaders with effec-

tive authority over their members are less of a challenge to the authority of the national political leaders than they are a prerequisite to the exercise of authority by those leaders. If the unions are disorganized, if the membership is rebellious, if extreme demands and wild-cat strikes are the order of the day, the formulation and implementation of a national wage policy become impossible. The weakening of authority throughout society thus contributes to the weakening of the authority of government.

Recent years in the Trilateral countries have seen the expansion of the demands on government from individuals and groups. The expansion takes the form of (1) the involvement of an increasing proportion of the population in political activity; (2) the development of new groups and of new consciousness on the part of old groups, including youth, regional groups, and ethnic minorities; (3) the diversification of the political means and tactics which groups use to secure their ends; (4) an increasing expectation on the part of groups that government has the responsibility to meet their needs; and (5) an escalation in what they conceive those needs to be.

The result is an "overload" on government and the expansion of the role of government in economy and society. During the 1960s, governmental expenditures, as a proportion of GNP, increased significantly in all the principal Trilateral countries, except for Japan. This expansion of governmental activity was attributed not so much to the strength of government as to its weakness and the inability and unwillingness of central political leaders to reject the demands made upon them by numerically and functionally important groups in their society. The impetus to respond to the demands which groups made on government is deeply rooted in both the attitudinal and structural features of a democratic society. The democratic idea that government should be responsive to the people creates the expectation that government should meet the needs and correct the evils affecting particular groups in society. Confronted with the structural imperative of competitive elections every few years, political leaders can hardly do anything else.

Inflation is obviously not a problem which is peculiar to democratic societies, and it may well be the result of causes quite extrinsic to the democratic process. It may, however, be exacerbated by democratic politics and it is, without doubt, extremely difficult for democratic systems to deal with effectively. The natural tendency of the political demands permitted and encouraged by the dynamics of a democratic system helps governments to deal with the problems of economic recession, particularly unemployment, and it hampers them in dealing effectively with inflation. In the face of the claims of business groups, labor unions, and the beneficiaries of governmental largesse, it becomes difficult, if not impossible, for democratic governments to curtail spending, increase taxes, and control prices and wages. In this sense, inflation is the economic disease of democracies.