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CER-ETH – Center of Economic Research at ETH Zurich

Co-voting Democracy

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# Co-voting Democracy

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## Abstract

We outline a new voting procedure for representative democracies. This procedure should be used for important decisions only and consists of two voting rounds: a randomly-selected subset of the citizens is awarded a one-time voting right. The parliament also votes, and the two decisions are weighted according to a pre-defined key. The final decision is implemented. As this procedure gives the society – represented by the randomly-chosen subset – a better say for important decisions, the citizens might be more willing to accept the consequences of these decisions.

Keywords: Co-Voting, Representative Democracy, Citizen Participation, Legitimacy of Democracy, Assessment Voting.

JEL Codes: D7, D8

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## 1. The Problem

In the second decade of the 21<sup>st</sup> century, the political situation is unsettling for everyone. Specific threats such as public debt and financial crises, terrorist attacks or overwhelming refugee migration are suddenly part of everyday life in countries that were considered safe, and risks that were acknowledged, but not perceived as imminent, now determine high-level office-holder's daily planning schedule. Many of these risks have a national, if not global, impact. They have to be analyzed precisely before solutions to alleviate them can be discussed, let alone implemented. As it seems, the times are bad for experiments. Yet, some experimentation might improve the situation – that is what we want to suggest.

In uncertain times, it is very important that society backs its government's policy, or at least, does not want to impede it. A simple way to achieve this is to implement direct democracy: As the voters decide on every issue themselves, they will at least be able to cast their vote on any important decision. If the decision taken corresponds to their wish, they will bear its consequences more willingly, knowing it was their own decision. If they were overruled, they will still know that they have expressed their will directly and that they might be in the majority next time. And if the minority was large, the implementation of the decision might even take that into account and make allowances for this minority. However, direct democracy has its disadvantages: the decision-making process generates important costs and can delay decision-taking. What is more, the office-holders are fettered by the citizens' voting decisions and might perceive themselves as mere executors of the public's will although they are responsible for the government's policy. And politicians and parties might submit an issue to voting for reasons other than decision-making. Too many or unnecessary decision-taking procedures might discourage many citizens from voting and may generate inconsistencies among legal rules. Yet, the general feeling among the citizens is that by awarding each citizen the same share of decision power, direct democracy fosters a sense of collective responsibility.

In representative democracies, things seem to be simple: The voters can only *elect* the decision-makers and they waive their decision power to the office-holders between elections. Of course, they have the power to express disapproval with a certain policy by deselecting the corresponding party or office-holder, but this decision power is only awarded to them at elections, i.e. at long intervals, and it concerns persons or parties, not issues – or at least, not

directly. Of course, every candidate advertises a policy program, and his actions in office are often quite predictable, as most of the issues arising during the coming office term can be foreseen.

Yet, in troubled times, in particular, office-holders might face entirely new situations entailing unheard-of decisions. If decision-makers have to venture off the beaten track, how could they retain the society's trust and support? This is a difficulty that is typical for representative democracies: Although – or because – office-holders have more elbow-room than in direct democracy, they also incur a higher risk of losing the voters' endorsement as soon as they have to take an important decision, all the more if it arises unexpectedly, if it is hard to justify – at short notice, at least –, and if its consequences are unforeseeable. While it might be true that direct democracy bridles office-holders, representative democracy makes them walk alone.

Thus, it might be a good idea to combine the two democratic systems in a judicious way by keeping the advantages and shedding the disadvantages of each, as soon as an important decision is at hand. To achieve this, we suggest to experiment with a new institution which we call "Co-voting". It is a new decision-making procedure that requires the selection of so-called "Vote-holders".

But let us first examine the wish list of society and government.

## **2. The Voters' Requirements – The Government's Requirements**

As can be observed since safety issues have become so vital to Europe, three levels interact as soon as an important issue arises: the office-holders' actions, their description and commenting in the media, and the reactions in the population.

As can be inferred from social media observation, the society's expectations can be summarized as follows:

- It wants to **be informed** promptly and – if ever possible – exhaustively about the government's actions.
- It wants to express its opinion and to **be heard** by the government
- It wants to **have a say** if important decisions are to be taken by the government.

The government, on the other side, needs as much decision-power as possible to implement its policy, once elected. If a situation requires swift action or if its complexity does not allow

exhaustive information of the public immediately, the decision-makers need the elbow-room to implement a policy efficiently. This is particularly important in unforeseen or risky circumstances. In such situations, but also when the policy issue at hand will have far-fetching consequences, such as a change in the constitution, welcoming a large amount of refugees, or the decision to exit nuclear power, a government especially needs the society's sustained trust and support when taking decisions. Such support could occur in different degrees:

- The voters could simply **let the office-holders work**, trusting them to do the right thing.
- They could **abstain from actions that might impede** the decision-makers' actions.
- They could **actively contribute to the implementation** of the policy decisions taken by the office-holders.

This last type of support seems like asking a lot with regard to key decisions of the state and in unheard-of situations, and particularly so if the office-term is very long. What is more, depending on the last election outcome, every voter will have a different perspective on the decisions-makers who are supposed to represent him. This has to be taken into account.

### **3. Majority Voters and Minority Voters**

A voter who saw "his" desired party elected to parliament and becoming part of the executive branch will feel well represented by the government. Such a majority voter will – at least during a first phase of office – trust "his" government to defend his interests and do as he wishes. Although experience showed that most office-holders implement a policy that is more moderate than their party's policy program, a majority voter knows more or less what to expect from his choice of decision-makers at elections.<sup>2</sup> Of course, if the government faces a situation that was not provided for in the campaign program, the majority voter might still be unhappy about a decision taken by the government of his choice. But one can assume that the majority voters will trust and support the government from the start.

On the other side, a minority voter will tend not to feel adequately represented by the government, feeling a discontent that starts on the election day and lasts until the next elections in the worst of all cases. The more important a decision or the more uncertain the political

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<sup>2</sup> See Gersbach, H., Muller, P., and Tejada, O. (2015), Costs of change, political polarization, and re-election hurdles, CER-ETH Working Paper 15/222.

situation, the less a minority voter might want to back the government. In case of extreme displeasure, he might even attempt to impeach its work, be it within his own scope of action or by creating an interest group fighting for its goals via legal or political action.

Despite their level of felt identification with the government, both minority and majority voters have surrendered their decision power when they cast their vote in a representative democracy – until the next elections. In special circumstances, this “power lapse” might be too long for a government – when it needs the immediate support of all voters it can get or if the consequences of the decision at hand are highly risky, will deeply affect the citizens, will affect constitutional rules and rights, or have other long-lasting effects.

To bridge the voters' power lapse and to prevent a possible fall from trust, lack of support for crucial changes of direction, if not deselection at the next elections, the government might thus find it useful to take the voters' opinion into account and to hand a part of its own decision power back to the people. This should not be the case for every decision, but solely for key issues of state policy.

#### **4. Opinion Polls and Referenda vs. Co-voting**

The more the voters' wishes are integrated in a governmental decision, the more the voters will endorse its implementation and its consequences. Opinion polls and referenda are simple methods to assess the people's opinion and wishes on a given issue. Yet, an opinion poll is like a picture: It only reveals the people's mood at a given point in time. The persons who answer the poll questions know that their opinion does not equal a vote – this might make a difference with regard to the care with which they reflect on the question. They might hope for the poll results to influence the government's decisions, but they cannot enforce a decision.

Referenda grant citizens decision-power. Yet, this is exactly why governments think twice before calling a referendum in representative democracies – its outcome being too uncertain, as the recent Brexit referendum proved in an impressive way. The incentives *not* to organize referenda are so strong that governments only use them as a last resort if constitutions allow them at all: The referenda deprive them of too great a part of their power. Another difficulty is that the conducting of a referendum requires the same type of processes as voting – and generates similar costs. But then, how to include the people's will in a decision process without

generating too many costs? And how to foster greater commitment than by asking the people's opinion? There is one way to solve these issues – by Co-voting.

As we suggest, the office-holders should hand back part of their decision power to the voters for important decisions, with various benefits. Who co-decides is co-responsible, and will bear the consequences of the decision, backing the government even if these consequences are negative. This means that the government could not be held solely responsible, especially if difficulties are encountered when implementing the decision. Entering military conflicts, allowing a large-scale influx of refugees or bailing out other countries, for instance, might generate costs, risks, and possibly discomfort in everyday life. If the voters could co-decide on such issues, it would yield several benefits. A first advantage is that such a procedure prevents hasty decisions in general. Co-voting also reduces the risk that certain interest groups obtain decisions that favor them at the expense of the other citizens. Finally, the voters would endure a difficult or negative aftermath of Co-voting decisions more easily and hold no grudge against the government – as they contributed to the decision. Co-voting would also revive the voters' interest in political decisions, and foster their wish to inform oneself as comprehensively as possible before deciding.

## **5. Implementation of Co-voting**

But how to implement such co-decision processes in a simple way, and in particular, how to include the voters in a decision without having to organize a country-wide vote? We would like to suggest a way to achieve a co-decision between the voters and the government, using a representative sample of the voters, i.e. so-called “Vote-holders”.

As desirable and trust-enhancing it might be to let all voters co-decide with the government as soon as an important decision is at hand, such a procedure would be complicated and very costly. Instead of turning a representative democracy into a direct democracy for specific decisions, we suggest to *embed* a sub-set of all voters into the decision. This subset should be representative of all voters and legitimately speak for the public, so that although the major part of the voters could not cast its vote, it would still feel that it had some measure of say in the final decision. An algorithm choosing a subset of voters randomly seems to be an obvious choice to select these Vote-holders. Imagine a subset of 50'000, 100'000, or more voters, depending on the size of the country.



Before an important decision, such a subset would be determined, and its members would be granted the right to vote once, on this specific issue. In a separate voting, the parliament would decide on the same issue. According to a weighting key defined before, the results of the Vote-holders' decision would be added to the ones from the parliamentary decision, and the final, aggregated decision would be published and implemented. Such a Co-voting process would give the people a voice without dispossessing the parliament of its own decision power. According to the weighting factor determined before the voting, the parliament could retain more or less decision power. One could even imagine a weighting factor that is tailored to each decision.

In the basic variant of our suggestion, the decision power should be divided equally between Vote-holders and the parliament. Thus, the weighting factor is 50/50 for a decision between the status quo and an important change, and can be illustrated as follows:

<b>Persons allowed to vote</b>	<b>In favor of change (against status quo)</b>	<b>Against change (in favor of status quo)</b>
Vote-holders	40.00%	60.00%
Parliament	70.00%	30.00%
Decision	<u><b>55.00%</b></u>	45.00%

Any other weighting factor can be used, such as 2/3 in favor of the parliament, for instance:

<b>Persons allowed to vote</b>	<b>In favor of change (against status quo)</b>	<b>Against change (in favor of status quo)</b>
Vote-holders	30.00% (weighted as 1/3)	70.00% (weighted as 1/3)
Parliament	55.00% (weighted as 2/3)	45.00% (weighted as 2/3)
Decision	46.66%	<u><b>53.33%</b></u>

Vote-holders would be chosen randomly. A person selected as Vote-holder would be informed that he/she will have a right to vote in the coming decision. Each Vote-holder would be given access to the same background information as all members of the parliament, to allow an informed decision.

Co-voting allows citizens to be better represented for important decisions.<sup>3</sup> As to the Co-voting process itself, one could imagine two different ways of proceeding, each having its own advantages and drawbacks.

## **6. Parallel Voting Rounds vs. First Voting to Vote-holders**

Ideally, both decisions would take place **at the same time**. This prevents one voter group from being influenced by the other group's decision. To keep the process simple and to allow simultaneous voting, both groups should vote **electronically**. Should synchronous voting prove too complicated, one could keep the results from the first group secret until the second group has voted. Such a process would allow to publish the weighted final decision right away, without having to publish two group decisions separately.

Yet, one could also imagine that it is *desirable* for one group's decision influencing the other. This could be useful if the Vote-holders vote first, and the results of this first voting round are published before the parliament starts to vote.

Let us imagine that an important decision is necessary. The Vote-holders vote first and the results are published. These results might make the parliament interrupt the decision-making process altogether. This could be the case if a parliamentary group has suggested a decision for which it expects to find a majority in parliament, such as entering a currency union, for example. Such entering might have far-reaching, potentially unwelcome consequences for the voters. If the parliament takes the decision alone and the entering is implemented, the people's reaction to the consequences – costs of various types –, and the willingness to put up with them, will only be known with a great time lag, possibly when it is too late. A better way to deal with the issue would be to let the voters – represented by the Vote-holders – decide first. If the Vote-holders decide against the expected parliamentary majority, the initiative group might prefer not to put the issue to a parliamentary vote at all, preferring to keep the status quo. Such a procedure would allow to assess the people's preferences and could save costs in three ways: initiative groups would think twice before suggesting new decisions, the parliamentary voting

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<sup>3</sup> The desirability of enhanced representation for certain choices has been an enduring theme in the literature. See Blankart, C.B. and Mueller, D.C. (2004). The Advantages of Pure Forms of Parliamentary Democracy over Mixed Forms. *Public Choice*, 121(3): 431-453.

round would not have to be organized if the process is interrupted after the Vote-holders' voting, and no new decision would have to be implemented in the latter case.<sup>4</sup>

## **7. Anonymity for the Vote-holders?**

Co-voting could be implemented for any voting method, be it at the voting booth, by letter or electronically. As explained, however, the most simple way to proceed would be to have all Vote-holders vote electronically. This might also solve another problem, i.e. how to prevent the Vote-holders from being influenced if their identity is revealed. Chosen at random by an algorithm, the Vote-holders would ideally be informed of their right to vote by electronic messaging, be asked to retrieve the background information they need for their decision electronically, and finally to cast their vote electronically, too. Encryption should be planned in the same way as e-banking transactions, so that no one could find out who the Vote-holders are or interfere with their voting.

Besides the fact that electronic voting would generate few costs compared to voting by letter or at the voting urn, an entirely-electronic procedure has the advantage of keeping the Vote-holders invisible among the people, unless they do not wish to remain anonymous. There would be no physical evidence of their Vote-holders membership, no letter or information material sent to them, nor any observable walk to the voting urn. Thus, if they choose to remain anonymous, the Vote-holders could neither be influenced before they cast their decision nor be held accountable after the decision. Of course, as current research on electronic voting suggests, it is not trivial to provide a voting system that achieves anonymity, secure and verifiable voting at the same time and prevents vote-selling. Yet, even if it might be impossible to guarantee the fulfilment of all desiderata with regard to electronic voting, the best practice should provide an acceptable standard for secure voting.

If the Vote-holders are to be perceived as representing the people, every voter should have the same chance of becoming a Vote-holder. This would entail some method and means to reach every voter electronically, or if this is not already the case, the obligation for voters who wish to act as a Vote-holder to register electronically and be willing to use an encrypted account to

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<sup>4</sup> A first description of the use of a first voting round by a subset of the voters to lower the number of undesirable parliamentary initiatives in direct democracy is given in Gersbach (2015). Gersbach, H., Assessment Voting, *Neue Zürcher Zeitung*, 28. April 2015. This procedure is a variant that is also applicable in representative democracies.

retrieve information and to vote. It should not be overly complicated to provide the necessary access to those people who cannot access their account from home – or do not want to do so.<sup>5</sup>

If the Vote-holders' anonymity can be preserved, the parties would have no possibility to appraise how they will decide. Thus, it would be in their best interest that all Vote-holders *do* vote, not to miss one vote that might be in favor of their preferred decision. And the more Vote-holders cast their vote, the more representative power their decision has and the more willing the people will be to bear the consequences of the decision taken. One could also envision the possibility for Vote-holders to waive their voting right on a certain decision if they do not want to participate in the Co-voting. Then, the algorithm would simply select another, new Vote-holder.

## **8. Conclusion**

Our suggestion should be relatively easy to implement, either with traditional voting methods or electronically. Encryption technology allows safe transactions – against standard attacks, at least – and as all countries give every citizen some kind of unique identification tag such as the social security number, electronic access to a voting account for all Vote-holders should be feasible. Thus, the basis for Co-voting is ready, and one could afford to experiment with it in any representative democracy. The right to co-decide on important issues would renew the voters' interest in policy issues and reinforce their sense of responsibility for policy decisions. If the government relinquishes part of its decision power to the voters, it will harvest greater readiness to bear the consequences of such decisions.<sup>6</sup> The Vote-holders themselves will be able to decide directly, so they will feel most responsible for a decision taken by Co-voting. Although they will not be voting, all other voters will still be granted better representation by Co-voting than under usual circumstances. Doubly represented – i.e. by the office-holders and the Vote-holders – a society might find it easier to go through difficult times without losing faith in its decision-makers. A say in important decisions means some measure of control, even between elections and for the minority: Control is good – and enhances trust.

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<sup>5</sup> Such a requirement might also foster the general willingness to vote electronically, which would lower the costs of elections in the future.

<sup>6</sup> A first analysis suggests that indeed, Co-voting might improve the citizens' willingness to accept major decisions of their country, collective decision-making itself, and aggregate welfare.

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