Liberalism in a highly institutionalized world[1]

Paper to be presented at the 22th IPSA World Congress

Balázs Brunczel

Research fellow
Centre for Social Sciences
Budapest, Hungary

[1] This paper has been prepared with the help of the OTKA application no. 83577 and the Bolyai Research Grant.

Speaking about ideologies, we can usually differentiate between two aspects: a practical and a theoretical. By practical aspect I mean the principles ideologies advocate and endeavor to realize, such as laws or policies. These practical principles are usually based on theoretical foundations, presuppositions, like theories of human nature, society, or development. these constitute the other aspect. The theoretical foundations and the practical guidelines are, of course, interdependent, since theoretical presuppositions limit the range of the possible practical principles, or make some of them more feasible. The link between them is, however, not necessary or predetermined.

These two aspects and the connection between them, that is, the theoretical foundation of a practical program, may vary in the case of different ideologies. Especially conservatism may seem to be an exception because of its ant-theoretical stance, but exactly its organicist and evolutionist view about society or its skepticism about human reason and rationality can be regarded as theoretical foundations. It is not an exaggeration to say that liberalism is the ideology where this link between theoretical foundation and practical principles is the most important and explicit. A main characteristic of liberalism is the endeavor to found all practical principles on a solid and universalistic theoretical ground. In other words, liberals deduce all political principles from a universal view of human nature and society; therefore, these principles are the same everywhere, and there is no room for any cultural or historical differences, exceptions. As a result, liberalism is the most rigid and the least flexible ideology.

This strong link between theoretical foundations and practical principles and the rigidity it produces result in a special kind of criticism: there are many thinkers who agree with the practical aims of liberalism but criticize its theoretical foundations. They propose a change in the latter to defend the former.

Just to mention a few of them, John Gray sharply criticizes recent, post-Rawlsian academic liberalism for its universalistic, impartial, neutral, Kantian character, and he claims these false, unrealistic theoretical assumptions are the cause of the gap between academic liberals and political practice: "the thoughts of the new liberals evoke no political echo in any of the liberal democracies: the project of securing practical agreement on principles of justice among metaphysically and historically neutered Kantian selves arouses little interest, inexplicably, among the political classes, or the voters, of the Western world, or anywhere else." (Gray 1997: 4) Despite his sharp criticism, Gray is not anti-liberal, but he argues for a renewal of liberalism, which should consist in abandoning the universalistic assumptions and replacing them with the idea of *modus vivendi* (Gray 2000).

Another example is George Lakoff, who sharply criticizes the objectivist epistemology, on which liberalism is based. In his view, false practical advices follow from this epistemology: according to the liberals their task is just to tell the people the facts, and then people will reach the right conclusions and vote for the liberals. "But we know from cognitive science that people do not think like that. People think in frames. […] To be accepted, the truth must fit people's frames. If the facts do not fit a frame, the frame stays and the facts bounce off." (Lakoff 2004: 17) The theoretical shift from objectivist epistemology to a more realistic one, which is based on framing theory and the theory of metaphors, should result in a new communication strategy of the liberals, which is based on framing the political debates and accepting the moral character of politics (Lakoff 2002).

The third example is communitarianism. Although communitarianism is often opposed to liberalism, this opposition mainly refers to theoretical questions, while regarding the practical principles the two approaches are not so far from each other. For example, when Amitai Etzioni speaks about the importance of moral concepts and virtues, and he defines the criteria these concepts must comply with, we can actually find liberal standards: non-discrimination, applicability to all members of community, generalizability, justifiability, and that they should not be based on special interests but on common justice (Reese-Schäfer

2000:41–42). The main opposition between communitarianism and liberalism refers to a theoretical question: the relation between individuals and community. According to the communitarians, we cannot understand society solely as an aggregate of individuals, ignoring the constitutive role of community, language, or culture.

These examples show that the critics' problem with liberalism is not only theoretical, but they claim that these false theoretical assumptions result in the failure of liberal parties. The debate about the theoretical foundations is, therefore, not only an academic diversion, but it endeavors to explain the unpopularity of liberal politics today.

This unpopularity needs, however, some further clarification. It is commonly held that liberalism is in crisis, which manifests itself in the bad election results of liberal parties.[2] In a historical perspective, however, we can find that liberalism can also be regarded as the most successful ideology, since most of its original aims have been realized, which cannot be said about other ideologies. The most successful countries can be characterized as *liberal* democracies. The reason behind the unpopularity of liberalism is therefore, at least partly, that the original purposes of liberalism are realized, and present democratic political systems work according to the basic liberal principles. Liberalism thus seems to be an ended project. The crisis of liberalism stems from the situation that after realizing its aims, liberalism cannot grasp the social and political challenges arising in a liberal democracy. In my analysis of the present situation of liberalism, I will focus on this question: Is liberalism really an outdated ideology, and do the present social and political challenges need an answer in which liberalism is not competent?

I what follows first I examine the relation of the theoretical foundations of liberalism to the mainstream of political science. In this context we can find the interesting situation that the main theoretical assumptions of liberalism, in fact, coincided with the methodological foundations of the post Second World War political science, at least with the mainstream of the Anglo-Saxon political science. In this period behaviorism and rational choice theory dominated the discipline. The basic unit of the research was the individual, who was an autonomous actor, having stable preferences, calculating rationally, and deciding in a profit-maximizing manner. The outcomes of political processes were aggregates of such individual decisions or actions. These theoretical assumptions were very akin to the liberal individualism. Of course, it would be too rash statement that there is any clear causal relationship between the two in either directions, and the examination of this question is not subject of this paper.

What is interesting here is the criticism on this mainstream of political science and the emerging new approaches since the eighties. Many scholars found that behaviorism and rational choice theory cannot explain political processes thoroughly. The main objection was that individual rationality and aggregation of individual decisions cannot alone explain the functioning of politics, and further explanatory factors are needed. The most promising candidates for this role are institutions, and thus approaches called new institutionalism are expected to provide an alternative to replace or at least to supplement behaviorism and rational choice theory.

The term new institutionalism refers to more approaches, e.g., rational choice, historical, or sociological institutionalism, which may diverge in several respects, with the common focus of the importance of institutions. According to these approaches institutions as independent explanatory factors must be included in the explanations of political outcomes. Institutions reduce the number of alternatives thus limit the range of possible individual actions or decisions. Political processes therefore cannot be seen as aggregates of individual behavior.

---

[2] This is obviously not true of the Democratic Party in the United States, but this party is not liberal in the classical, European sense.

Besides institutions, another factor comes into prominence in the explanations, namely discourses or ideas, which are also regarded as independent explanatory factors. In fact, ideas or discourses as explanatory factors emerge in all of the new institutionalist approaches (Blyth 1997), and often a new version of institutionalism is declared: discursive institutionalism (Schmitt 2010). Furthermore, apart from institutionalism, the growing importance of ideas is a common topic in political science, and this trend is often referred as "ideational turn" (Gofas and Hay 2010; Béland and Cox 2011).

Summing up, new approaches try to supplement behaviorist and rational choice theories, namely new institutionalist and ideational or discursive approaches. Of course, it cannot be said that the former mainstream theories are over. On the one hand, these approaches continue to be used is political science researches; on the other hand, the advocates of the new approaches usually do not say that that the former approaches should be completely rejected; rather they speak of the supplementation of them.

There is no room here to thoroughly discuss what the novelties of the new approaches are. Instead, I restrict myself to examine the innovations affecting the theoretical base of liberalism. Thus, I focus on a special role of the non-individual factors in the explanations. These factors are institutions and ideas, and the role I am interested in is the constructivist character with which they endow the explanations of political processes. There are authors who emphasize the constructivist character of new institutionalism (e.g., Schmidt 2010a, 2010b, 2011), and sometimes it is spoken about constructivist institutionalism as a separate approach (Hay 2008, 2011). I think, however, that most of the institutionalist and ideational approaches can be characterized as constructivist even if there is no such explicit reference to this standpoint.

I use the term constructivism as opposed to objectivism. According to objectivism, the things of the world—in this case, e.g., the alternatives of political decisions, the reasons for and against these alternatives—are clearly and objectively cognizable; that is, they are the same for everyone, and if not, it is a kind of deficiency and can be corrected. Of course, there is some room for manipulating the facts; e.g., in campaigns politicians try to manipulate what the electors think. But in this case, according to the objectivist approach, the manipulating effect of the campaign is result of intentional action. Thus, even if we can speak of the effect of ideas, this is not an independent factor but an instrumental one. As opposed to this approach, we can speak of constructivism if other factors than individual actions—e.g., ideas or institutions—shape political processes and cognition of the actors.

To understand the constructivist character of institutions, we have to consider a special effect of them: the limitation function. The role of institutions is usually defined as limiting the possibilities or alternatives for political action or decision. As we can read in the first seminal work of new institutionalism: "Some potential participants, issues, viewpoints, or values are ignored or suppressed […]. Politics is uncoupled from administration, and various parts of administration are uncoupled from each other. Coordination among several components or a problem is uncoupled from the solving the several parts. Some things are taken as given in deciding other things. Paradigms and ideologies focus attention on some things, distract attention from others. Institutions define individual, group, and societal identities, what it means to belonging to a specific collective. Such identities represent barriers to trade—they signify something nonexchangeable and thus simplify the problems of trade." (March and Olsen 1989: 17). This limitation function of institutions does not necessarily entail constructivism. We cannot speak of constructivism if institutions are designed and built by actors; that is, all the effects of institutions are results of intentional actions and decisions. In this case we do not leave the terrain of the individualistic and objectivist approaches. Thus, the so called rational choice institutionalism cannot be regarded constructivist. This approach is based on the assumption that actors start from tabula rasa, and

the characteristics of institutions depends exclusively on the intentions of actors (Peters 2005: 51).

Most of the institutionalist approaches, however, do not share this assumption, and they claim institutions and their effects are not completely intentional but results of different non-individual factors as well, e.g., historical paths, culture, discourses, or ideas. These institutionalist approaches can be called constructivist because according to them non-intentional factors shape political processes and phenomena. Accordingly, the world of politics is not cognizable objectively because in different historical or cultural circumstances it would have other characteristics. In other words, most things in politics, especially the possible alternatives, the features and effects attached to them, and the beliefs about them, are constructed by non-intended historical, cultural, etc., circumstances.

After discussing the constructivist features of new institutionalism, now I turn to the question of how this trend affects the possibilities of liberalism. An academic paradigm shift, of course, does not directly result in a change in practical politics. Indirectly, however, it may have an effect because the belief that the theoretical assumptions are false may make it difficult to advocate and implement liberal principles.

Regarding the relationship between constructivism and liberalism, we can conclude that they are basically opposed. The liberal universalism usually couple with objectivist epistemology, which says truth does not depend on the circumstances. Thus, the alternatives for political actions and their effects are clearly cognizable in a rational debate. This standpoint clearly contradicts the constructivist elements of the new institutionalist approaches.

But to refine this relationship, we need to have a closer look at the normative implications of the new institutionalist approaches. The statement that historical or cultural factors influence the perception of political phenomena is a descriptive statement, and it is an open question what kind of normative conclusions we derive from it. One possible answer might be that historical and cultural factors cannot or should not be modified, and thus we have to accept them and shape our political actions in accordance with them. To take a practical example: if neoliberal economic reform policy does not fit into the local historical and cultural framework, then we have to find other solutions harmonizing with the circumstances.

This question, that is, how we should judge the fact that certain factors modify the perception of political alternatives, is usually not discussed in the literature of new institutuonalism. Economic policy, especially neoliberal reform, is often topic of new institutionalist analyses (e.g., Blyth 2002; Schmidt 2002; Abdelal, Blyth, and Parsons 2010), but these works only analyze how successful the neoliberal economic policy reforms can be in different circumstances, usually keeping away from judging those circumstances or from saying that these reforms are the best tools for economic policy.

This distance from normative judgments is understandable, since new institutinalist approaches—in spite of their criticisms of the former mainstream theories—do not want to return to a normative political science. It is evident that political science and ideologies are two separate things. On the other hand, however, as it was mentioned earlier, certain theoretical assumptions may favor an ideology. As it was also said, the former mainstream approaches, that is, behaviorism and rational choice, were more akin to liberalism; thus, the new one, especially its constructivist part, may be rather opposed to it. But it was also mentioned that new institutionalism is rather neutral in ideological questions. Thus, its ideological implications are rather non-direct. To present such implications, I have summarized the possible normative consequences of the two opposed epistemological standpoints, i.e., objectivism and constructivism, in some topics that may be important for political practice.

Objectivism	Constructivism
There is one universal solution for policies	In different circumstances different solutions are needed
In case of disagreement one side has a kind of defect; thus, defect and disagreement can be eliminated by enlightenment	Disagreement derives from different standpoints; thus, disagreement is unavoidable
Asymmetrical relationship between lay people and experts	Equal relationship
Representative democracy	Participatory or deliberative democracy

Of course, this characterization is oversimplified, and one could easily find counter-examples. On the other hand, however, the characteristics listed under constructivism are common topics of recent theoretical endeavors, for example in the burgeoning literature of deliberative democracy and democratization of science. Even if these works, which usually criticize rationalist and objectivist theories, cannot be regarded as mainstream yet, but they are represented by very influential scholars on very important forums (e.g., Dryzek 1990, 2000; Fischer and Forester 1993; Fischer 2003). A sharp opposition between objectivist approaches and constructivist theories is thus an important topic in recent political science literature, and the former is often connected to representative democracy, while letter to deliberative or participatory. In this debates liberalism often emerges on the representative side, for example, deliberative democracy is often opposed to liberal democracy.

The question is whether we can find arguments in liberal ideology that can be exceed the objectivist tenets listened above. In my view, a special interpretation of rationality can be regarded as such. Rationality is a basic principle of liberalism (Freeden 1996: 148–150), and it is often interpreted in an objectivist way: if people are enlightened properly, they will behave rationally and recognize the truth, and consensus will be reached. We can, however, abandon the objectivist and universalist elements, while keeping rationality. Rationality in this case means that decisions or standpoints must be supported with proper arguments, and these arguments must be transparent, debated, and tested. This interpretation is very close to deliberation. Deliberation in a wider sense means "that individuals should always be prepared to defend their moral and political arguments and claims with reasons, and be prepared to deliberate with others about the reasons they provide" (Pateman 2012: 8). Deliberation is thus a wider concept than participation, and deliberative democracy means not necessarily participation, as Pateman claims.

Perhaps we can call this kind of deliberation a liberal version of it. In the next four points I summarize what the characteristics of this liberal deliberation would be in the light of the above characterization of objectivism and constructivism.

- First, to find a universal truth is too problematic, but progress is possible, and so the effects of different non-individual factors can be understood more and more.
- Second, disagreement perhaps cannot be eliminated, but if the standpoints are contested, they will be more reflexive and tolerant.
- Third, experts have special knowledge as compared to lay people, but their knowledge, methods, theories, and work must be transparent and contested publicly (against other experts).
- Democracy must contain some deliberative elements, but this rather means the open debate with experts or specialized groups.

In short, policies must be tested against experts, and experts' knowledge must be defended publicly. This would be a third way between pure participative democracy and citizen participation.

References

Abdelal, Rawi, Mark Blyth, and Craig Parsons 2010: *Constructing International Economy*. Ithaca–London: Cornell University Press.

Béland, Daniel and Robert Henry Cox 2011: Introduction. Ideas and Politics. In Daniel Béland and Robert Henry (eds.): *Ideas and Politics in Social Science Research*. Oxford: Oxford University Press. 3–20.

Blyth, Mark 1997: „Any More Bright Ideas?" The Ideational Turn of Comparative Political Economy. *Comparative Politics*. 29/2. 229–250.

Blyth, Mark 2002: *Great Transformations. Economic Ideas and Institutional Change in the Twentieth Century*. Cambridge: Cambridge University Press.

Dryzek, John S. 1990: *Discursive Democracy: Politics, Policy, and Political Science*. Cambridge: Cambridge University Press.

Dryzek, John S. 2000: *Deliberative Democracy and Beyond. Liberals, Critics, Contestations*. Oxford: Oxford University Press.

Fischer, Frank 2003: *Reframing Public Policy. Discursive Politics and Deliberative Practices*. Oxford: Oxford University Press.

Fischer, Frank and John Forester 1993*: Argumentative Turn in Policy Analysis and Planning*. Duke University Press.

Freeden, Michael 1996: *Ideologies and Political Theory: A Conceptual Approach*. Oxford: Oxford University Press.

Gofas, Andreas and Colin Hay 2010: The Ideational Turn and the Persistence of Perennial Dualismus. In Gofas, Andreas and Colin Hay (eds.): *The Role of Ideas in Political Analysis. A portrait of Contemporary Debates*. London–New York: Routledge. 3–10.

Gray, John 1997: Against the New Liberalism. In *Enlightenment's Wake: Politics and Culture at the Close of the Modern Age*, 1–10. London: Routledge.

Gray, John 2000: Two Faces of Liberalism. New York: The New Press.

Hay, Colin 2008: Constructivist Institutionalism. In: R. A. W. Rhodes, Sarah A. Binder and Bert A. Rockman (eds.): *The Oxford Handbook of Political Institutions*. Oxford–New York: Oxford University Press. 56–75.

Hay, Colin 2011: Ideas and the Construction of Interests. In: Daniel Béland and Robert Henry Cox (eds.): *Ideas and Politics in Social Science Research*. Oxford: Oxford University Press. 65–82.

Lakoff, George 2002: *Moral Politics: How Liberals and Conservatives Think*. Chicago – London: The University of Chicago Press.

Lakoff, George 2004: *Don't Think of an Elephant! Know Your Values and Frame the Debate*. White River Junction, VT: Chelsea Green Publishing.

March, James G. and Johan P. Olsen 1989: *The Organizational Basis of Politics*. New York: The Free Press.

Pateman, Carole 2012: Participatory Democracy Revisited. *Perspective on Politics*. Vol. 10. No. 1. 7–20.

Peters, B. Guy 2005: *Institutional Theory in Political Science*. London–New York, Continuum.

Reese-Schäfer, Walter 2000: *Politische Theorie heute*. München–Wien: R. Oldenburg Verlag.

Schmidt, Vivien A. 2002: *The Futures of European Capitalism*. Oxford: Oxford University Press.

Schmidt, Vivien A. 2010a: Taking Ideas and Discourse Seriously: Explaining Change through Discursive Institutionalism as the Fourt New „New Institutionalism". *European Political Science Review* 2/1. 1–25.

Schmidt, Vivien A. 2010b: On Putting Ideas into Perspective: Schmidt on Kessler, Martin and Hudson, and Smith. In: Andreas Gofas and Colin Hay (szerk.): *The Role of Ideas in Political Analysis: A Portrait of Contemporary Debates*. London: Routledge. 187–204.

Schmidt, Vivien A. 2011: Reconciling Ideas and Institutions through Discursive Institutionalism. In: Daniel Béland and Robert Henry Cox (eds.): *Ideas and Politics in Social Science Research*. Oxford: Oxford University Press. 47–64.