

EDITED BY
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CITIZEN

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AND

DEMOCRATIC

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CONTENTS

ALAN KAY, <i>Foreword</i>	vii
<i>Preface</i>	xi

KAROL EDWARD SOŁTAN, <i>Introduction: Civic Competence, Democracy, and the Good Society.</i>	1
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PART ONE What Is Civic Competence?

1. KAROL EDWARD SOŁTAN, <i>Civic Competence, Attractiveness, and Maturity.</i>	17
2. BENJAMIN R. BARBER, <i>The Discourse of Civility.</i>	39
3. JOHN GAVENTA, <i>Citizen Knowledge, Citizen Competence, and Democracy Building.</i>	49
4. NANCY L. ROSENBLUM, <i>Navigating Pluralism: The Democracy of Everyday Life (and Where It Is Learned).</i>	67

PART TWO The State of Civic Competence

5. BENJAMIN I. PAGE AND ROBERT Y. SHAPIRO, <i>The Rational Public and Beyond.</i>	93
6. SAMUEL L. POPKIN AND MICHAEL A. DIMOCK, <i>Political Knowledge and Citizen Competence.</i>	117
7. ELISABETH R. GERBER AND ARTHUR LUPA, <i>Voter Competence in Direct Legislation Elections.</i>	147
8. NORMAN FROHLICH AND JOE A. OPPENHEIMER, <i>Values, Policies, and Citizen Competence: An Experimental Perspective.</i>	161

PART THREE Strengthening Citizen Competence

9. FRANK M. BRYAN, <i>Direct Democracy and Civic Competence: The Case of Town Meeting.</i>	195
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Voter Competence in Direct Legislation Elections

ELISABETH R. GERBER AND ARTHUR LUPIA

	1992 (%)	1994 (%)	1996 (%)
(1.0) Very much interested	9.1	7.5	26.8
(0.5) Somewhat interested	44.1	46.3	50.5
(0.0) Not much interested	16.8	25.1	22.7

OVER THIRTY YEARS AGO, Downs (1957, chapter 13) predicted, and Campbell, Converse, Miller, and Stokes (1960) found, that voters in mass elections are poorly informed about politics. Since that time, many scholars have either confirmed or expanded upon these findings (e.g., Luskin 1987, Zaller 1992). Taken together, this body of research appears to lend overwhelming support to long-standing critiques of voter competence (e.g., Lippman 1922, Schumpeter 1942)—study after study suggests that voters know almost nothing about almost everything. A logical conclusion of these findings is that voters cannot possibly comprehend the consequences of their election-day actions.

By contrast, a substantial body of research shows how voters in presidential elections adapt to their information shortcomings (e.g., Popkin 1991; Sniderman, Brody, and Tetlock 1991). For example, presidential campaigns generate volumes of information about a candidate's partisanship, ideology, and history. Some scholars argue that voters can use such cues to successfully emulate the voting behavior they would have exhibited if better informed about other candidate attributes such as policy positions.

While the voter competence debate continues to rage with respect to presidential elections, parallel questions seem easier to resolve for other types of elections. For instance, many contemporary scholars and pundits conclude that direct-legislation elections (i.e., initiatives and referenda) confront average citizens with choices that they are not competent to make. At first glance, such a judgment seems reasonable. After all, direct legislation requires voters to determine policy directly—voters vote for or against specific policy proposals.¹ By con-

1. Such proposals are contained in ballot propositions. The most common types of

trast, in pure representative democracy, these types of decisions are made by elected officials who have policymaking expertise.

A closer look at direct legislation reveals the possibility of an even more dismal scenario. For example, the typical direct legislation voter does not receive the types of partisan cues that allow presidential-election voters to adapt to their informational challenges. This follows because most direct legislation campaigns are run by single-issue interest groups that disband shortly after the election rather than by established political parties. Since these groups' policy interests are likely to be less well known to voters than are the policy interests of established parties, the cues that the groups provide may be less informative than party cues.²

Complicating matters further is the fact that ballot propositions are often long, technical, and complex. To take an extreme case, one California ballot proposition (Proposition 131, 1990) contained over fifteen thousand words. Moreover, many direct-legislation propositions feature novel policy proposals about which voters are likely to know little. By contrast, political candidates have past histories upon which voters may base reliable predictions of future performance.

In sum, many direct-legislation elections are characterized by complex ballot propositions and the absence of political parties. These facts lead learned observers such as Cronin (1989) to conclude that voters are highly unlikely to cast competent votes in direct legislation.

In what follows, we examine the same evidence and draw a different conclusion. Specifically, we identify conditions under which voters can use elite endorsements and information about campaign expenditure as effective substitutes for more complex information. Since both types of information are, or can easily be made, available to direct-legislation voters, we conclude that many voters can cast competent votes in direct-legislation elections.

The remainder of this essay continues as follows: First, we define voter competence in a way that reflects the tasks involved in direct legislation elections. Then, we draw upon previous empirical research to provide the foundation for a simple theory of direct legislation campaigns. We then use the theory to describe conditions under which endorsements and information about campaign expenditure enhance voter competence. We conclude by arguing that restructuring certain electoral institutions can enhance voter competence.

ballot propositions are initiatives (placed on the ballot by citizen petition) and referenda (placed on the ballot by legislative bodies).

2. For example, most people would consider a Democratic endorsement of a social program to provide more valuable information than would the endorsement of a relatively unknown group called Citizens for Reform.

A Definition of Voter Competence

In a typical direct-legislation election, citizens vote directly for one of two alternatives—a ballot proposition and the status quo policy.³ The winning alternative becomes law.⁴ The task facing voters is therefore clear, though potentially difficult: vote for the alternative whose policy consequences best match their interests. Note that our use of the term “self-interest” need not have a narrow interpretation. As Delli Carpini and Keeter (1996, 6) explain, in their definition of self-interest, “especially in the public realm individuals may prefer options that achieve some notion of the greater good, even if it comes at some personal expense.”

We define direct-legislation voters as *competent* if they cast the same votes they would have cast had they possessed all available knowledge about the policy consequences of their decision. We define *knowledge* as information that increases a person's ability to predict such consequences. Having defined what competence is, we should be specific about what it is not. Our definition of competence does not require that voters have complete information. Voters can know almost nothing and be competent—they need only know enough to choose the same alternative they would have chosen had they known more. In other words, we define competence in terms of how voters perform when they are in the voting booth. We do not define it by the quantity of information they can access when they make these decisions. Our definition of competence also implies that competent voters can cast votes that are *ex post* incorrect judgments. That is, knowledge that can only be gained in the future may lead competent voters to look back and regret their past votes.

Previous Assessments of Competence in Direct-Legislation Elections

Recent research has shown that direct-legislation voters, like their counterparts in candidate-centered elections, tend to have low levels of interest and information. Magleby (1984), for example, finds that “voters are not very interested in most propositions—including some

3. Some form of direct legislation is used in twenty-seven American states and thousands of U.S. counties, cities, towns, villages, and school districts. In addition, many European democracies use direct legislation to make law at both the national and subnational levels. See Magleby 1984 on the use of direct legislation in the United States, and Butler and Ranney 1994 on European referendums.

4. Provided that it survives legal challenges. Note that this provision is also pertinent to laws passed by legislatures.

controversial ones" (127). He also finds that "on both routine legislative propositions and controversial initiative propositions the voters may not follow the campaign or have much interest in it and hence do not generally consider themselves very informed about the issues they are deciding" (130). Analysis of survey data collected by the Field Poll in California confirms Magleby's finding of low reported levels of information (see, for example, Bowler, Donovan, and Happ 1992). Cronin (1989), however, shows that voters tend to postpone the collection of information until just before the election and report high levels of information on election day.

Evaluating the competence of direct-legislation voters, however, requires more than scattered evidence of apparent voter ignorance. Both Magleby and Cronin note that the important question is whether voters *on election day* learn enough from campaigns to link their interests to the electoral alternatives. Several recent studies address this question directly.

Lupia (1994) used an exit poll to analyze voting on five auto insurance propositions on the 1988 California general-election ballot. He found that voters who could correctly identify the insurance industry's position could emulate the voting behavior of more knowledgeable voters who were otherwise like them (and therefore likely to have similar interests). Voters who were neither knowledgeable nor able to identify the insurance industry's position consistently displayed voting behavior that was significantly different from that of knowledgeable and otherwise similar voters. In this case, the insurance industry's endorsements appeared to act as an effective substitute for detailed information about the propositions. He concludes that the presence of well-known endorsers allowed voters to overcome a massive informational challenge.

Gerber and Lupia (1995b) analyze survey data from twenty-four direct legislation elections in California to show how campaigns affect voter competence. Their analysis reveals that when both sides of a direct legislation campaign make substantial campaign expenditures, poorly informed voters are more likely to emulate the voting behavior of voters who are similar demographically and, therefore, likely to have similar interests. Lacking such a campaign, poorly informed voters are less capable of such emulation. Therefore, they are less likely to cast competent votes.

A Theory of Direct-Legislation Campaigns

We now present a simple theory of direct legislation campaigns that provides a unifying framework for understanding the empirical obser-

vations just described. The theory is a special case of the model developed in Gerber and Lupia (1995a). Like any theory, ours represents a simplification of the actual direct legislation process. However, the simplification we make allows us to identify and isolate important features of direct-legislation campaigns that affect voter competence.

We model a direct-legislation election as a game between a *proposer*, a *campaigner*, and a decisive *voter*. The proposer represents a group that drafts a ballot proposition and qualifies it for the ballot. The campaigner represents an individual or group who makes statements in an attempt to affect electoral outcomes.⁵ The voter represents the interests of a voting majority.⁶ The players' interaction leads to the selection of one of two policies, the *status quo*, *S*, or the *ballot proposition*, *B*.

We represent each player's interests by an ideal point and a single-peaked utility function. This implies that each player prefers the alternative whose location is the minimum distance from his or her ideal point. Note that nothing about our use of ideal points or utility functions contradicts the conception of self-interest we offered earlier. Individual preferences, whether represented by ideal points, utility functions, other metrics, or logical constructs, can be based on "some notion of the greater good." Unless otherwise stated, we continue as though all aspects of this interaction are common knowledge.

Sequence of Events

The game begins when the proposer proposes a ballot proposition. We assume that proposing a proposition requires the expenditure of a substantial amount of resources. Such effort is observable to other players, notably the voter, and represents the time, money, and effort required to draft a ballot proposition, qualify it for the ballot, and run a campaign about it.⁷ We assume that the magnitude of the cost is determined exogenously and represents, in part, the (common belief about the) amount it will cost to run a winning campaign.

We define the proposer's effort as the cost $c \geq 0$. If the proposer chooses not to pay this cost, then he does not propose a proposition,

5. A campaigner can either be the proposer itself, a different group that favors the ballot proposition, or a group that opposes the proposition. For the purposes of the current model, this distinction is irrelevant. Gerber and Lupia (1995a) consider situations in which it is important.

6. On a majority-rule vote between two binary policy alternatives, the majority preference is decisive. Given our assumptions about player preferences, this corresponds with the preference of the median voter.

7. For initiatives, ballot qualification entails gathering a required number of citizen signatures on authorized petitions. For referenda, qualification entails building a legislative majority to pass the measure and place it on the ballot.

no election takes place, the game ends, and the status quo policy, S , remains in place.

If the game continues, then the proposer chooses the ballot proposition's content. We model this choice as the selection of a single point B on the unidimensional policy space $[0, 1]$.⁸ We assume that the proposer and campaigner know the location of B , while the voter may be uncertain about whether the status quo or the ballot proposition is closer to her ideal point.⁹ Put another way, we assume that the proposer and campaigner know more about the policy consequences of this proposition than the voter does.

Next, the campaigner makes one of the following two statements: "*The ballot proposition is better for you, the voter, than the status quo*" or "*The ballot proposition is worse for you, the voter, than the status quo.*" We base this conceptualization of a campaign statement on the observation that direct-legislation campaign advertisements usually contain simple conclusions of this kind. We also assume that the campaigner is free to make whichever statement he likes, even if it is false.

Finally, the voter, who may be uncertain about the spatial location of the ballot proposition and the veracity of the campaigner's statement, votes for either the ballot proposition or the status quo.¹⁰ After the voter votes, players realize the policy consequences of the electoral outcome and the game ends.

Results

Our first and most basic conclusion is standard in formal theories of elections. We find that the voter chooses the electoral alternative whose postelection policy outcome provides the highest expected utility. The voter bases this expectation on her beliefs about the ballot proposition's proximity to her own ideal point. Our remaining conclusions, by contrast, are not standard in formal election models.

How campaign spending induces competence. We find that the proposer can affect the voter's beliefs, and hence her competence, by ex-

8. We also represent S , the content of the status quo policy, and all player ideal points as points on $[0, 1]$. Note that since a line can connect any two points in space, we can extend the conclusions of our formal argument to the class of cases where the electoral alternatives are represented as points in higher-dimensional spaces.

9. Specifically, we represent the voter's initial beliefs about the location of the ballot proposition as a common-knowledge distribution over $[0, 1]$. While different distributions represent different voter prior beliefs, our results do not depend on the particular distribution used. Such an assumption allows us to portray voters as very knowledgeable, quite ignorant, or somewhere in between.

10. Since our focus is on competence, and not participation, we treat voting as a costless activity.

erting *observable and costly effort*.¹¹ This effect occurs because no one forces the proposer to participate in the election. Therefore, the fact that he pays to do so can convey information to the voter.

Consider the example of Figure 7.1. Figure 7.1(a) depicts a set of voter prior beliefs about the location of B (the policy consequences of approving the ballot measure) for the case where the status quo is located at .7 and the voter is uncertain about the location of the ballot proposition (it is actually .2). The height of the distribution at each point along the horizontal axis represents the voter's beliefs about the probability that the ballot proposition is located at that point.

Figure 7.1(b) depicts how the voter's beliefs about the ballot proposition change as a result of observing expenditure c . If, for example, the voter knows that only a policy change of at least distance .15 makes an expenditure of c worthwhile, then, after observing such an expenditure, she can correctly infer that B is not located between .55 and .85. The voter can make such an inference because otherwise the proposer would be better off keeping c and accepting the status quo policy. If the voter observes a costly effort and updates her beliefs in this manner, then (in the absence of other information) she *necessarily* assigns a lower probability to possible ballot proposition locations that are in close proximity to .7 and a higher probability to the true location of the ballot proposition. As a result, the proposer's observable and costly effort allows the voter to draw more accurate inferences about the policy consequences of the ballot proposition. If, before the observation, the voter was likely to cast an incompetent vote, and if the gain in accuracy is sufficiently large, then the voter's observation of proposer effort enhances her competence.

More generally, if voters are able to notice the difference between a campaign where a lot of money is being spent and a campaign where little money is being spent, then that observation alone may enhance their competence. For example, voters who like "the status quo" may conclude that any substantial policy change will be bad for them. If only large policy changes attract sizable campaign expenditure, then noticing that a proposition has attracted a large and expensive campaign may be sufficient for a voter to conclude that voting against the ballot proposition is in her interests. By contrast, a voter who is unhappy with current policy and desires big changes may draw the opposite conclusion from the same observation. Such a cue, for example, party, may not be a perfect indicator of how one should vote. It can,

11. The type of effect we show here follows theories of job-market signaling (Spence 1973) and voter decisionmaking in direct-legislation elections (Lupia 1992).

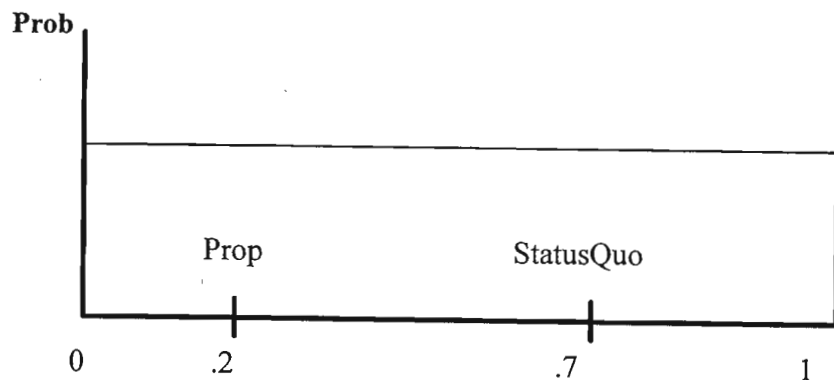


Fig. 7.1(a). Voter prior beliefs



Fig. 7.1(b). Updated voter beliefs after observation of costly campaign effort

however, signal reliable information about the magnitude of the proposed policy change.

How elite endorsements induce competence. Now we turn to the relationship between voter competence and the campaigner's statement. In our discussion of the effect of observable costly effort, the effect on voter competence was independent of the content of the campaigner's statements. We now explain how the campaigner's claims affect voter competence.

The key idea that underlies the relationship between voter competence and the campaigner's statement is the campaigner's credibility. To identify the effect of campaigner credibility on voter competence, we compare two extreme cases. In the first case, the voter cannot verify if the message is truthful (a *minimally credible* campaign message). In the second case, the voter knows that the message is truthful (a *perfectly credible* campaign message).

Since our focus here is on voter competence, we treat campaigner credibility as known and exogenously determined (a comprehensive study of the sources and effects of campaigner credibility is the subject of Lupia and McCubbins 1998, chapters 3 and 4). Note that the logic of our argument also applies to cases that fall between minimally credible and perfectly credible.

In the case of a minimally credible campaign message, message content does not necessarily depend on the true location of the ballot proposition (i.e., the campaigner can lie). Therefore, without additional information about the campaigner the voter cannot use the message's content to form a more accurate inference about the content of the ballot proposition (also see Crawford and Sobel 1982). Comparing Figure 7.1(a) to Figure 7.2(a) illustrates this case. This comparison shows a minimally credible campaign message having no effect on voter beliefs.

By contrast, voter competence improves when a perfectly credible campaign message is present. To illustrate, suppose a campaigner makes the perfectly credible statement "*The ballot proposition is better for you, the voter, than the status quo.*" While this statement may not provide sufficient information for the voter to infer the exact location of the ballot proposition, it does allow her to answer the question, How should I vote?

Figure 7.2(b) isolates the effect of the content of the perfectly credible campaign statement on voter beliefs. In this example, the voter's ideal point is located at .4. Since the voter knows the location of her ideal point and the status quo, she can identify ranges of policies that she prefers (or does not prefer) to the status quo. Thus, she knows that the ballot measure must be within $.7 - .4 = .3$ units of her ideal point,

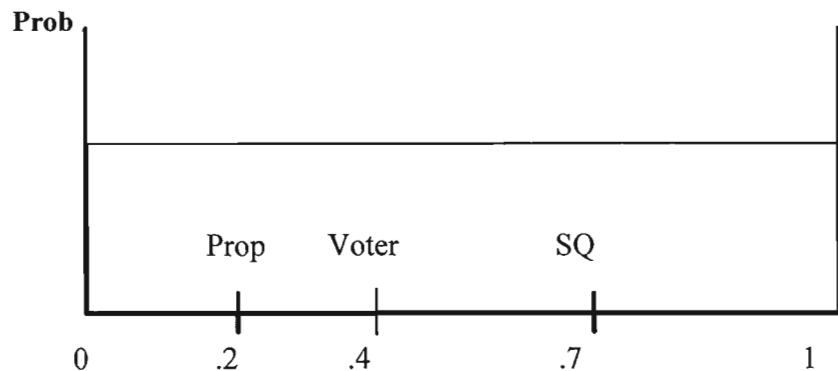


Fig. 7.2(a). Updated voter beliefs after observation of minimally credible message

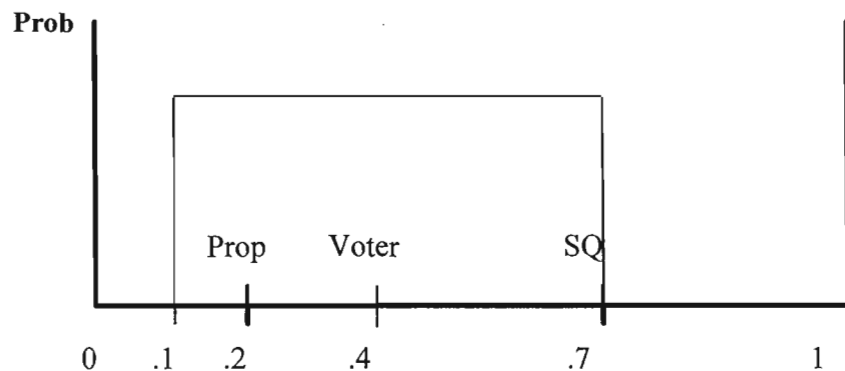


Fig. 7.2(b). Updated voter beliefs after observation of perfectly credible message

and can eliminate positions that are further away. In sum, the statement tells the voter that the proposition is closer to her ideal point than is the status quo. While this type of message is not sufficient for voters to infer the exact location of the ballot proposition, it may be sufficient for the voter to cast a competent vote.

Implications

Simple extensions of the logic of our theory reveal how structural changes in the conduct of direct-legislation elections are likely to affect voter competence. For instance, our model allows us to prove that greater electoral competition alone is neither necessary nor sufficient for enhanced voter competence (we develop this argument in Gerber and Lupia 1995a). The intuition underlying such a conclusion is simple: added or empowered competitors might not be credible. This finding contradicts the widely held maxim that more competitive elections produce more informative public debates and enhance voter competence. Instead, we find that more competitive campaigns enhance competence only if the additional or empowered competitors are both sympathetic to voter interests and sufficiently credible to affect voter behavior. If either condition fails to hold, then increasing competition *decreases voter competence*, when it has any effect at all. For if a campaigner is credible and is not sympathetic to voter interests, then he has an incentive to use his persuasive powers to deceive the voter. In this case, adding or empowering him cannot result in enhanced voter competence. Similarly, the addition or empowerment of a noncredible campaigner should have no effect on voter competence.

Our analysis suggests that we can enhance voter competence by implementing structural reforms that help make campaigner incentives transparent. To cite but one example, consider how changing campaign disclosure laws might affect direct-legislation voter competence. Currently, all federal candidates, most state candidates, and some statewide ballot campaigns are required to report, at regular intervals, the sources and amounts of nearly all contributions received, and the amounts and recipients of all expenditures made. While these reports tend to be available to the public, they are often difficult to interpret and only become known when the media reports on them. Laws that require campaigners to make such information available *and accessible* to voters (e.g., by requiring candidates or election officials to purchase access to the print or broadcast media and disseminate the names of large contributors) may improve the ability of voters to observe and make inferences from costly campaign effort.

Conclusion

Direct-legislation elections confront voters with complex issues. As is true in other electoral contexts, direct-legislation voters often exhibit low levels of information about ballot propositions and often cannot recall even very simple facts about the propositions. However, direct-legislation elections can also provide voters with the means to adapt to their difficult circumstance. Voters who have access to credible endorsements can gain insight about how ballot propositions will affect their broad or narrow conceptions of self-interest. Voters who have access to reports about who is spending what on direct-legislation campaigns can make similar associations.

Having established grounds for a debate on voter competence in direct-legislation elections, we now consider the implication of our analysis for a wider set of elections. While there exists wide skepticism about voter competence, almost no scholars or pundits suggest taking from the electorate the right to choose its representatives. Yet, many of the same people strongly resist the idea of expanding the domain of direct legislation. While we do not advocate anything like a national referendum in the United States, we do want to point out the central but subtle advantages that direct-legislation voters have over their counterparts in candidate-centered elections.

The task facing direct-legislation voters is quite different from the task facing their candidate-centered counterparts. Several features of direct legislation simplify the task facing voters. For instance, direct-legislation voters select directly between an exogenously determined and stable menu of specific policy alternatives. Candidate-centered voters, by contrast, select between candidates who represent potentially shifting positions on a wide range of policy and nonpolicy dimensions. While both types of elections offer limited menus from which to choose, we assert that the possible variance in the quality of a candidate-centered "menu item" is greater than the comparable variance within a direct legislation election menu item.

Procedural simplicity also enhances the prospect for competence in direct-legislation elections. The typical direct-legislation aggregation process is simple-majority rule, although approval of some propositions requires supermajority support. In many cases, only the courts can affect the language of the law after the voters cast their votes. The connection between the candidate-centered electorate's mandate and the output of the lawmaking process is considerably more diffuse. After the votes are counted in a candidate-centered election, the elected representative must act in concert with other legislators to form a legislative majority. Such collective efforts often require that

individual legislators make significant compromises (Cox and McCubbins 1993). In addition, any bill that a legislative majority considers is usually subject to hearings, markups, committee votes, floor amendments, logrolling, conference committees, executive vetoes, and judicial review. All of these features add complexity to the legislative process. If the functional purpose of a vote is to affect the outputs of the lawmaking process, then candidate-centered voters have far more complex computations to endure than do their direct-legislation counterparts.

Against the sheer efficiency of representative democracy, features such as the ones just described may be of minimal importance. What remains true, however, is the error inherent in concluding that voters are more competent when choosing among candidates than they are when choosing among policies. We assert that voters know far less about the policy consequences of their vote when electing the typical legislator than they do when voting on the typical ballot proposition.

To summarize, we agree that direct-legislation elections confront voters with a decision whose precise consequences are probably beyond their understanding. However, such elections do not necessarily overwhelm them. If voters have access to simple cues, such as the endorsements of individuals or groups whose interests are well known, then they need not know much more to cast competent votes. As a result, we conclude that even in the face of massive complexity, many direct-legislation votes are, in fact, the products of competence.

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CHAPTER EIGHT

Values, Policies, and Citizen Competence: An Experimental Perspective

NORMAN FROHLICH AND

JOE A. OPPENHEIMER

CITIZEN COMPETENCE has been a contentious issue in the scholarly literature since at least the time of Plato and his student Aristotle. The teacher took a dim view of the "democratic man," characterizing him in the Republic as being self-indulgent and whimsical. The student, by contrast, considered the citizen to be the ultimate arbiter of public policy. In one of the earliest and most famous defenses of consumer (citizen) sovereignty, he argued that the guest at the banquet and the resident were better judges of the meal and the house than were the cook and architect.

In the modern world the Aristotelian view has, with the spread of democracy, tended to predominate. After all, in a democracy the citizens are presumed to be competent to judge what is best for themselves. Indeed, much of the new theory of nonmarket economics (also known as public, collective, social, or rational choice) presumes that individuals are, in their choices, merely indicating their preferences and, thereby, their welfares. If we accept the argument that citizens do indeed know their preferences, that their preferences are truly reflective of their welfare,¹ and that the choices made in a democracy (of any sort) aggregate the preferences appropriately, we are done. Experiments are not needed. Indeed, this volume is not needed.

Of course there are a few problems with accepting these premises even in the matter of private choices by competent individuals. Leave

We are indebted to the support of both the University of Maryland's Collective Choice Center and the Social Sciences and Humanities Research Council of Canada for their funding of this preliminary research and the preparation of this essay.

1. A more serious issue lies in the general relationship between preferences and welfare. This is presumed by many to be a "match." A recent work that displays these presumptions relatively explicitly is Ng (1996).