Toward an economic theory of populism: Uncertainty, Information, and Public Interest in Downs's Political Economy

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Abstract (184 words):

In this paper, we claim that Downs's theory of democracy provides a framework to build an economic and positive theory of populism. Our purpose in this paper is threefold. First, we highlight systematically overlooked aspects of Downs's work. In particular, we demonstrate that Downs is a thinker of political polarization and that his focus on uncertainty is relevant to build an economic theory of populism. Second, we take the issue of populism as an opportunity to test the explanatory power of Downs's political economy. Third, our reconstruction of Downs's political economy enables a comparative analysis with the theoretical political science literature on populism to achieve a wide reflexive equilibrium on the understanding of both the nature and the causes of populism. In accordance with such a method, we conclude that populism is, in essence, a political force in a democracy, always present in a latent state, and rationally promoted by political platforms when the minimum consensus required for democratic stability is in crisis. That is why populism is likely to regenerate as much as to sound the death knell of a democratic political system.

Key Words: Democracy - Populism - Rationality - Public interest - Information

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Introduction

By publishing *An Economic Theory of Democracy* in 1957, Anthony Downs wanted to produce a positive theory of democracy, in line with Schumpeter's *Capitalism, Socialism and Democracy* (1942).[1] He also aimed at overcoming some shortcomings of the emerging field of social choice following Kenneth Arrow, who operated as his Ph.D. advisor. Downs's model indeed attempts to "forge a *positive* relationship between individual and social ends structures by means of a political device" (Downs 1957a: 19, our emphasis). In this paper, we claim that Downs's theory of democracy provides a fruitful framework to build an economic theory of populism, both positive and general, that could complement the political science literature. Our purpose in this paper is threefold. First, we highlight systematically overlooked aspects of Downs's work. While his theory of democracy is remembered for applying rational choice theory to politics, in particular with the argument of rational ignorance as well as one version of the median voter theorem, we argue that this is his focus on uncertainty that is both original and relevant to build an economic theory of populism. Indeed, considering uncertainty led Downs to emphasize the role of ideology and information producers in politics (Downs 1957) and then to investigate the concept of public interest (Downs 1962). Second, we take the issue of populism as an opportunity to test the explanatory power of his political economy. Indeed, if one accepts the rather consensual premise that political practices in democratic regimes are likely to give space to populist phenomena, then Downs's economic theory of democracy should help us to analyze contemporary populism. Third, our reconstruction of Downs's political economy enables a comparative analysis with the theoretical political science literature on populism.

To test the capacity of Downs's political economy to account for the nature and the causes of populism, we broadly proceed along the lines of the reflective equilibrium method. Let us start with an intuitive but considered definition of populism. In many scientific and mediatic discourses, populism is presented as a political style, both in the conquest and the exercise of power. This style would be exemplified in the 21st century by such caricatural examples as Jair Bolsonaro, Hugo Chavez, Vladimir Putin, or Donald Trump. Intuitively again, populism appears at the same time as a worldview, with some affinities with nationalism, illiberalism, or anti-intellectualism. The correspondence between the populist style and the populist ideology is not perfect, however, as political leaders consensually considered populists are historically associated with various ideological movements such as socialism (Allende, Peron), neoliberalism (Berlusconi, Menem), and nationalism (Orban, Trump). Moreover, there are historical examples of discrepancies between a populist strategy to conquer power and a non-populist exercise of it. The more recent one might be Georgia Meloni in Italy, especially on European and geopolitical issues. This lack of perfect correspondence between intuitive characterizations of what populism is and what populists do require further conceptual efforts. Only as a first approximation, let us accept a generic definition of populism as either a political *praxis* or a political *theoria*, or both of them, that challenge the rules and/or culture of liberal democracy.[2] We use Downs's model of democracy as a theoretical resource to achieve a more precise and refined conceptualization of populism. Then, we confront it with other theoretical accounts to test its originality and relevance. Doing so, we aim at achieving

[1] Downs argued: "Schumpeter's profound analysis of democracy forms the inspiration and foundation for our whole thesis" (1957a, 29).

[2] On the opposition between populism and liberal democracy, see Riker (1982), Urbinati (1998), Canovan (2002), Mudde & Rovira Kaltwasser (2012), Müller (2016), Pappas (2016), Hawkins & Rovira Kaltawasser (2017), Weyland (2017).

a wide reflexive equilibrium on our understanding of populism, which remain a contentious concept, as a first step toward an economic theory of populism.

Our interest in Downs's political economy is partly motivated by the *positive* character of his theory of democracy. Despite their divergences in defining populism, most political scientists studying populism nowadays have the habit of basing their works on theories of democracy. Yet, many of these definitions are based on *normative* theories of democracy (Stravakis & Jager 2017, Rueda 2021). Müller (2016) and Weyland (2021), for instance, state unequivocally that populism is a threat to democracy. The emphasis Downs put on information producers as one of the main political agents in democracy and on the function of ideologies provide insights to build a *positive* theory of populism, that could either substitute or complement normative theories of populism. The ideological/ideational conceptualization built by Mudde and Rovira Kaltwasser (2012), which defines populism as a "thin-centered ideology", might be the most accomplished recent attempt to propose a positive approach to populism. It is explicitly empirically driven, especially by synchronic and diachronic comparative studies. The concepts of leadership and ideology being at the core of Downs's theory, confronting it with both the political-strategic approach and the ideational approach proves enlightening. Besides, economists have, so far, not contributed much to the conceptual study of populism.[3] The definitions of Dornbusch & Edwards (1992) and Acemoglu & al. (2013) have been firmly criticized, in particular because of their incapacity to account for different subtypes of populism as well as their biased and stretched definition of populism as bad economic policies (Rovira Kaltwasser 2019). This also justifies coming back to Downs's political economy.[4]

The first section presents Downs's theory of democracy and dispels some recurring misunderstandings. Doing so, we stress that Downs is a thinker of political polarization. The following two sections provide a detailed analysis of Downs's findings to then shed light on the conceptualization of populism. The second section explains that uncertainty creates both a rational supply and rational demand for ideology. We argue that if populism is defined as a political style, a specific type of leadership has to be characterized as populist. Indeed, Downs points out the universality and rationality of persuasion (the function of leadership) in democracy. The third section demonstrates how, augmented by the concept of the public interest, Downs's theory can help understand and explain the populist phenomenon. The concept of public interest is at the heart of Downs's (1962) political economy, in relation to the problem of polarization. He identifies the possibility of increasing heterogeneity of citizens' preferences. This heterogeneity is likely to stretch the part of the democratic minimal consensus corresponding to the agreement over the features that public policies must have. At its highest level, when coupled with the lack of trust in mainstream information providers, heterogeneity could favor the emergence of polarized conceptions of the public interest that are anchored into radically opposed ideologies, in particular a populist ideology that lies at the fringe of the democratic minimal consensus (since it aims at building a new one). The fourth section sums up the contributions of the study of populism that derives from Downs's economic theory of democracy and confronts it with the political science literature.

[3] Dani Rodrik is an exception. See Rodrik (2018; 2021) and Mukand and Rodrik (2020).

[4] One interesting "economic" definition of populism, because it could apply to both right-wing and left-wing populism, comes from Rosanvallon's (2020) characterization. He argues that one feature of populism is national-protectionist economic policies.

Section 1: Reassessing Downs's Contribution

As a reminder, Downs (1957a) explicitly provides a procedural rather than a substantive conception of democracy. Democracy is not a procedure that ensures the coordination of citizens' preferences to form a public interest, an idealist view of democracy. Democracy is rather conceived as a procedure for the selection of rulers characterized by competition between political parties for votes. Throughout his book, he assumes that political actors make their decisions rationally. The concept of rationality, borrowed from Arrow (1951), means that an agent is able to rank his preferences in a transitive manner and conduct a cost-benefit analysis. Downs uses rational choice theory because of his wish to offer a positive theory. It gives his model the power to predict behavior according to the characteristics of the situation. Rational choice theory is applied to two major political actors. First, political parties seek office in order to enjoy the benefits of power. Downs rejects economic and political theories, such as Bergson's Social Welfare Function, that assume that the government acts altruistically in favor of a supposed public interest. Second, voters vote for the party proposing policies that maximize the net benefits they can expect from government action. This framework leads Downs to propose a canonical model of the functioning of democratic regimes, which assumes complete and free information. Under this assumption, in a two-party system, the citizen votes for the preferred party, i.e., the one whose policies will provide the greatest net benefit or abstains if he or she is indifferent. In a multi-party system, Downs considers that an individual makes his choice by integrating the preferences of his fellow citizens into his cost-benefit calculation. His rationality is thus strategic rather than parametric.

The ideological positioning of a party, i.e., the political platform it proposes, given that 50% of the votes cast are required to be elected, then depends on the distribution of political preferences within society. This distribution is firstly considered as exogenously given.[5] Downs's model is then a system where five variables will determine the outcome of the democratic process. These variables are (i) the expected votes for political parties, (ii) the actual votes of the voters, (iii) the strategies of the opposition parties, (iv) the actions of the government, and finally (v) the individual utility of the voters. Using traditional marginalist reasoning, he concludes that the government undertakes public expenditure until the marginal votes gained from a policy equal the marginal votes lost due to the cost of financing that policy. Under the certainty assumption, the optimal strategy for the government to maintain power is to "adopt the choices preferred by a majority of voters", by polling public opinion to find out what they are. However, this strategy is not a guarantee of success as "coalitions of dissenters" can emerge. But more importantly, the existence of uncertainty in the real world, once integrated into the world of the model, overturns these initial conclusions. And uncertainty is "a basic force affecting all human activity" so that "coping with uncertainty is a major function of nearly every significant institution in society", including democracy as a political institution (1957a: 13).

An *Economic Theory of Democracy* has quickly become a reference in political economy, both among economists and political scientists. The book is usually mentioned in three respects. First, it is an example of the application of economic theory to political objects (Macpherson 1961) and it frames the development of "public choice liberalism" (Amadae 2003). Second, Downs offers a reformulation, after Black (1948), of the median voter theorem. Third, Downs develops the famous

[5] Downs's assumes that political preferences could be mapped on a single left-right axis. However, *the substantive logic* of his model can be applied to another axis of differentiation, for instance nationalist-globalist, or differentiation along two or more axis, complicating the *formal logic* of the model.

thesis of rational ignorance[6], once the costs of acquiring information are considered in the model. Most current references to Downs do not go beyond the first part of the book (chapters 1 to 4), which provides the canonical model that assumes "perfect knowledge", i.e. certainty (Downs 1957a: 13). We argue that the introduction of uncertainty into his positive theory of democracy really makes Downs's contribution original and interesting, both in absolute terms and for thinking about the concept of populism. But before reconstructing Downs's neglected contributions, some common misunderstandings about Downs's theoretical project, illustrated with comments from the successful book *Democracy for Realists* by Christopher Alchen and Larry Bartels (2016), are worth mentioning and dispelling.

A first misunderstanding relates to the epistemological nature of Downs's theory of democracy. We claim that this is because it is a positive theory of democracy that Downs's analysis enables us to build a positive theory of populism. However, Alchen and Bartels claimed that Downs's model was both "an empirical theory of electoral politics and a normative theory of populist democracy" (2016: 26).[7] For Downs, the only "normative element" contained in his model is "the assumption that every adult citizen has one and only one vote" (1957a: 19). But he acknowledged that his theory is only partially positive since it excluded from his model irrational behavior (1957a: 31). He, however, provides a positive model, in the sense of Friedman (1953), that is to say, a model whose predictions could be tested empirically. In similar confusion, Jennings argues that the "populist" politician is "the notorious Downsian office-seeking politician" (2011: 612). Downs assumes that agents act rationally - in Arrow's meaning of transitivity - and that politicians are self-interested - they seek to maximize the number of votes received rather than the welfare of individuals - because he wishes to overcome the criticism leveled at Bergson's Social Welfare Function (1938), namely that government acts altruistically (1957a: 18; 1957b: 135). Therefore, he provides not a theory of the behavior of populist candidates or populist parties alone, as Jennings suggests, but of all parties and candidates in a democracy, considered as a procedure to select rulers. This point is crucial. It is for instance common to associate populism with public interest rhetoric. Downs explains, however, that these are all parties in a democracy that try to convince citizens that their programs are in the public interest. So, if populism is to be defined in relation to the concept of public interest, the content of the populist conception of public interest must necessarily be specified, as done in section 3.

[6] Downs's rational ignorance should not be confused with Bryan Caplan's rational irrationality (Caplan 2001 ; 2006). Downs recognized the possibility of rational irrationality but excluded it from its model. He wanted to distinguish "rational errors" from "irrational acts" because he wishes to "simultaneously point out how the cost of information can lead rational men to make systematic errors in politics and 2) to avoid any discussion of political irrationality" (Downs 1957a: 9-10).

[7] Schumpeter's positive theory of democracy, from which Downs drew its ambition, faced similar judgments. For instance, Nadia Urbinati defines it as a populist theory of democracy and leadership, as Schumpeter would characterize it as "a method for selecting a Caesarist leader" (2019b: 1076).

A second misunderstanding concerns the overemphasis on Downs's median voter theorem and its interpretation. Alchen and Bartels (2016: 226) argued that "the two big results" from the "political economists' school of thought" were "Downs's demonstration that competing political parties would converge to the ideological center, making polarization impossible, and Kenneth Arrow's theorem establishing that no voting rule would satisfy a simple and appealing-looking list of ethical postulates". If Alchen and Bartels were right, Downs's theory would not prove a "fruitful starting point" to theorize populism. But, as a reminder, Downs argued that such a convergence to the center concerns two parties' systems and is only relevant under the auxiliary assumption of a normal distribution of voters' preference with a mean toward 50 along a left-right axis. Immediately after the exposition of the median voter theorem, he precisely described the possibility of polarization in the case of a bimodal distribution near the extremes (Downs 1957a: 112). Not only *Downs theorizes political polarization*, but he also explained that this is such polarization of political preferences that leads to political inefficiency and political instability, which could lead either to revolution or the emergence of a new majoritarian consensus (1957a: 120; 1962: 7).[8] Downs's concept of polarization addressed one crucial question of populist studies: how can we explain the emergence and success of populist parties? In Downs's framework, the existence of a gap between the distribution of voters' preferences and the ideological positioning of parties is a necessary condition for the emergence of new parties, and *a fortiori* populist ones. Following the logic of his model, populism is the consequence of a lack of ideological-political polarization on the supply side of democracy in relation to the heterogeneity and polarization of the distribution of preferences on the demand side.

A third misunderstanding concerns the attention Downs paid to uncertainty and its consequence. Alchen and Bartels claimed that "having admitted the possibility of 'errors, false information, and ignorance' in voting behavior, Downs had little more to say about their likely nature, magnitude, or consequences". (2016: 106). This statement is twice erroneous. Downs explicitly excludes the existence of false information from his model: "Throughout this thesis, we assume that no false (i.e., factually incorrect) information exists, though incomplete information can exist" (1957a: 46). This is another reason why his theory is partially positive, excluding what is nowadays referred to as "fake news". Moreover, after having presented the canonical model in part one of his book, Downs systematically addresses the consequences of uncertainty, in particular by focusing on the incomplete and costly nature of information. This is the foundation of its analysis of information providers and the function of ideologies in democracy, which is the main object of the next section.

[8] "When the electorate is polarized, [...] a change in parties causes a radical alteration in policy. And, regardless of which party is in office, half the electorate always feels that the other half is imposing policies upon it that are strongly repugnant to it. In this situation, if one party keeps getting re-elected, the disgruntled supporters of the other party will probably revolt; whereas if the two parties alternate in office, social chaos occurs, because government policy keeps changing from one extreme to the other." (Downs 1957b: 143). See also Downs (1982: 362-363).

Section 2: Uncertainty, Information Provision, and Ideologies

Downs's canonical model assumes that information is complete and free both for voters and political parties. The introduction of uncertainty in the model fundamentally alters its results and leads to many complications. Uncertainty in Downs's framework refers to the agents' – both voters and political parties – "lack of sure knowledge about the course of past, present, future, or hypothetical events" (Downs 1957: 77). Uncertainty implies that agents only have partial information about several variables and parameters relevant to rational decision-making. Considerations that were absent in the canonical model become essential under the (more realistic) assumption of uncertainty to understand the behavior of agents as well as the static and dynamic of democratic political systems. In this section, we develop some of these considerations, focusing in particular on the role of ideologies and information providers, and then discuss what they bring to the understanding of populism.

Uncertainty has several dimensions, its removability, depending on how easily it can be lessened, its intensity, and its relevance. Together, these dimensions contribute to determining an agent's level of confidence with which they make a decision. Accounting for the role of uncertainty, therefore, means studying the rational decision-making of agents who do not have a level of absolute confidence – and actually who have, in many cases, a fairly low level of confidence because uncertainty on relevant aspects of decision-making is high and cannot be easily and freely removed. According to Downs (1957a: 79), uncertainty stems from either (or both) a lack of knowledge or a lack of information. *Lack of knowledge* refers to the fact that an agent may be partially or fully ignorant of the relevant mechanisms and relations between variables that account for well-identified phenomena. For instance, adapting an illustration given by Downs, citizens will generally have fairly partial knowledge and understanding of the mechanisms of money creation and more generally of the relevant issues related to monetary policy. *Lack of information* corresponds to a lack of data that makes one unable to assess the actual value of some variables. For instance, continuing with our example, a citizen may be ignorant of the current central bank's interest rates or the details of monetary policies implemented in the past. Lack of knowledge is authentic ignorance and requires education to be reduced. Lack of information requires only information to be remediated.[9]

Uncertainty affects the two sides of the political system. Voters face uncertainty about a range of elements that may affect their decisions at the margin (Downs 1957: 80). For instance, voters tend to have partial knowledge of the mechanisms through which public policies affect their own as well as others' situations, especially their income level. They may also lack information about the actions carried out by the government or the propositions of the various political platforms. They will in general be only partially informed of the current economic state of affairs. On the other side, uncertainty also affects political parties, including the ones in office. They are obviously uncertain about future economic events that may affect the outcomes of their (proposed) policies. Irrespective of the future value of economic variables, they may not know how a policy will affect voters' behavior, both because they do not know the exact distribution of preferences and they only have an imperfect understanding of the causal mechanisms from policies to

[9] While an agent can be informed without having the relevant knowledge, it is clear that they can hardly interpret and make use of this information, i.e., an informed citizen cannot be ignorant. Following Downs, we will merge authentic ignorance and lack of information. Informed decision-making requires both knowledge and information.

economic outcomes. They may also be uncertain about the other parties' strategies on certain politically relevant issues.

Once uncertainty is introduced in such a way, it appears that the process of rational decision-making will be affected in several different ways. We consider three elements that are absent from the canonical model and that become relevant when uncertainty is acknowledged. First, uncertainty opens the door to political strategies of *persuasion* from political parties. In the context of Downs's model, citizens' political preferences are assumed to be fixed in the short run.[10] Persuasion therefore only operates through the provision of information by political parties to citizens. As we noted above, Downs explicitly excludes the possibility that parties can deliberately provide citizens with false information. The information provided is nonetheless incomplete and in general political parties will rationally communicate the information that is expected to increase the share of votes they receive in future elections. For Downs, "all information is by nature biased because it is a selection of data from the vast amount extant, others of which could have been selected" (1957a: 212). Not all voters however are prone to be persuaded and among those who are, different thresholds of required information may prevail.[11] Nonetheless, the possibility of persuasion underlines the political function of *leadership*, i.e., "the ability to influence voters to adopt certain views as expressing their own will." (Downs 1957: 87). Leaders are motivated by their desires to improve their positions in society. Political parties and individual politicians are among the potential leaders who can influence citizens' votes, along with interest groups and "favor-buyers". With such a specific conceptualization of leadership, it appears that it is a function that is assumed by all political parties in democracy, and not only by populist ones. Consequently, if populism is defined as a political style, a specific type of "ability to influence voters to adopt certain views as expressing their own will" has to be characterized.

Among the means that political parties have at their disposal to persuade citizens to get votes, Downs especially emphasizes the role of *ideologies*. An ideology is a "verbal image of the good society and of the chief means of constructing such a society" (Downs 1957: 96). The existence of ideologies is directly related to uncertainty. Because citizens are ignorant of many mechanisms and facts relevant to form the political opinion guiding their votes and because education and information acquisition are costly, they need cues to help them in the process of decision-making. Ideologies are such cues. Ideologies perform at least two functions in this perspective. First, they help voters to form expectations about what a party would do if it were in office regarding a range of issues. Second, they permit voters to distinguish between parties, not on an issue-by-issue basis but rather based on a broad philosophy and general ideas. Thus, ideologies are cost-saving heuristic devices for electoral decision-making under uncertainty during elections.

Because of such demand for ideology from voters, political parties have a strong rational interest in developing well-identified ideologies. Two other sets of considerations are relevant here. Depending on the distribution of preferences and the nature of political competition on the "supply side" (number of parties, election rules), political parties may want to settle on ideologies that strongly differentiate them or quite the contrary that converge toward the same location on the political spectrum. However, by assumption, parties cannot alter their ideologies at will. This is

[10] More precisely, preferences are exogenously given. Hence, preference change is not part of the strategic toolkit at the disposal of political parties. On the other hand, Downs's model can be used to study the comparative static of an exogenous change in the distribution of preferences, due for instance to the enfranchisement of a part of the population who was denied the right to vote until now.

[11] See Downs's (1957: 84-6) typology of voters. He identifies eight types of voters and notes that only five of them are open to persuasion. He does not give however a quantitative estimate of the plausible share of each type in the population of a typical democracy.

due to a requirement of *responsibility* according to which changes in doctrine can only happen slowly, due to unforeseen events (Downs 1957: 110). That means that the ideological landscape is relatively fixed, and its change depends on factors that are out of the reach of political parties. Moreover, to play their role as decision cues, ideologies must truthfully signal future policies. This corresponds to a requirement of *reliability*.[12] To sum up, ideology unites voters and parties, although these two types of agents have a different relationship to the same object (Downs 1957a, 111). While voters prefer an ideology because of their conception of what a good society should be, politicians choose it in order to win votes. In the longer run, the ideological supply, however, participate in shaping voters' conception of the good life.

The last element related to uncertainty that occupies a central place in Downs's framework is the essential function of information providers. In general, the acquisition of information and education is costly. To reduce such costs, citizens have a rational interest in relying on information providers such as experts, media, and think tanks, but also the various interest groups and political parties that may act as "leaders". As we noted above, information provision is indeed tightly linked to the function of leadership and the role of persuasion. All the major steps of information acquisition leading to the act of voting can be delegated to information providers, except for the act of voting itself. While this considerably reduces the cost of voting, it does not eliminate it completely. On the one hand, though information can be provided for free, many information providers are selling their services at market prices. Citizens must therefore make tradeoffs in the acquisition of information and select only a few among the many available sources. Downs's model thus provides a rationale for what is usually described as epistemic biases. On the other hand, the relationship between citizens and information providers largely has the characteristics of a principal-agent relationship. In general, citizens will not necessarily blindly trust the information they are provided with depending on its sources. On top of the cost of information acquisition, there is therefore also a monitoring cost entailed by the fact that citizens may want to check the reliability of the information they receive. Downs explained in this regard that the more citizens believe that the agent that is providing information shares the same goals as theirs and the more information he possesses, the more they will rationally delegate information provision to him.[13] Downs also distinguishes between the production of data, the analysis of that data, and the normative evaluation resulting from the analysis. He considers that a rational decision-maker will be less likely to delegate evaluation compared to the analysis of data, and such analysis compared to data production.

The cost of information acquisition and the related role of information providers point to two important implications. First, even with truthful information providers, information remains costly to acquire. In terms of rational decision-making, that means that the assumption of fully informed citizens is inconsistent. Rational citizens should gather information until the (expected)

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[12] Downs (1957: 105) rightly notes that reliability does not entail that a political party must necessarily act in conformity with what its ideology prescribes. Indeed, "a party which always does the exact opposite of what it says it will do is reliable even though it is not honest." The problem however is that the "exact opposite" is not always well-defined. In the actual democratic practice, a dishonest party is therefore likely to be perceived also as unreliable.

[13] Downs does not deal explicitly with the principal-agent aspect of information provision. This is in part due to the fact that his model excludes the possibility that false information can be communicated. However, as we said above, while not false, the information transmitted can be partial. Downs (1957: 234) notes that political parties can never be the agents of rational delegation of information because "a rational voter who is not a party official himself cannot assume members of any party have goals similar to his own." This indicates that even if we exclude false information, the monitoring cost mentioned in the main text may be related to the necessity for citizens to assert whether information providers share the same goals as them. This point is related to the broader issue of the role played by conceptions of public interest we discuss in the next section.

marginal benefits equal the (expected) marginal costs. Acknowledging that plausibly the former is decreasing and the latter increasing, rational citizens will generally choose to remain partially ignorant. Indeed, because one's vote has virtually no chance to decisively affect the result of elections, it is rational for most citizens to remain *fully ignorant*.[14] Second, due to the depth of division of labor in contemporary democracies, the marginal costs and benefits of information acquisition will be widely unequal across the population. That implies that the assumption that citizens are *equally informed* is also inconsistent with the rationality postulate. Because of that, instead of the formal political equality that prevails in democracy through the principle "one person, one vote", the actual "differential political power in a democracy [is] rooted in the very nature of society" (Downs 1957a: 236).

The three features related to uncertainty that we have discussed (persuasion and leadership, ideologies, and information provision) are not only essential to build a positive theory of the functioning of democracies but also to account for the nature and causes of populism in contemporary democracies. The universal possibility of persuasion and the function of leadership in democracy requires characterizing specific *populist* types of leadership. Yet, we confront here what seems to be a paradoxical implication of Downs's model with uncertainty. If persuasion and leadership are basically realized through information provision, and if most citizens rationally choose to remain ignorant, then the scope for persuasion appears fairly limited. Such limitation is reinforced by the fact that Downs (1957a: 234) argues that citizens will hardly rationally delegate information provision to political parties. There are at least two ways out of this paradox within Downs' framework. The first is to acknowledge that most citizens belong to the categories of voters that he identifies as insensitive to persuasion. In this case, however, that means that the role of persuasion and leadership in democracy and the expression of populism through them are restricted. The second is to assume that leadership operates not only through the content of the information provided but also through *the way it is provided*. The cost of information acquisition may favor a kind of leadership that voters associate with well-identified views about policies and their effects The rhetoric or the gesture could be used for instance by political leaders to signal to voters the future policies that would be implemented and to whom they would benefit if they were to be elected. In other words, there may be a complementarity between the populist style and the populist ideology.[15]

Next to the style of leadership, populism could also be characterized in Downs's model in terms of the constitutive features of the ideologies it is associated with. As an intuitive definition, this obviously supposes that we can meaningfully identify "populist ideologies" within Downs's framework. While he has few things to say about the content of ideologies in *An Economic Theory of Democracy*, since he only focuses on their functions, his 1962 related account of the notion of public interest is directly relevant here. We tackle this point in the next section.

[14] See footnote 4 above on the difference between Downs's rational ignorance and more recent accounts of voters' "rational irrationality".

[15] Such a view echoes the socio-cultural approach to populism, that defines it as a relationship between leaders and people that "carries highly charged normative connotations" and "ends up being about identity creation and identities more than about 'worldviews' or 'ideology'" (Ostiguy 2017, 73).

Section 3: Public Interest and Consensus

Down's economic theory of democracy builds on the standard assumption that citizens and political parties are rational decision-makers. According to this assumption, agents choose an alternative among those that are feasible that delivers, or is expected to deliver, the best outcome as determined by those agents' preferences. Under appropriate assumptions, this is equivalent to assuming that agents act as if they were maximizing their (expected) utility. The rationality assumption Downs is using is however more specific than this generic version. Downs indeed adds to it what he calls the "self-interest axiom" (Downs 1957: 27). On this axiom, agents are not only rational but also *selfish*; "whenever we speak of rational behavior, we always mean rational behavior directed primarily toward selfish ends" (Downs 1957: 27). Regarding members of political parties, the self-interest axiom implies that they are mostly concerned with the income, prestige, and power that is associated with being in office. For voters, they are essentially making decisions based on the "utility income from government activity" that they can expect to receive (Downs 1957: 37). In particular, their votes are determined by the "expected party differentials", i.e., the difference between the expected utility incomes they would receive if a given party were to end in office instead of another.

As Downs admits at the outset, the rationality assumption, especially when combined with the self-interest axiom, does not account for the whole range of political behaviors in a democratic regime. His 1957 book is nonetheless committed to the postulate that this assumption can provide insights into the way actual democracies work. In his article "The Public Interest: Its Meaning in a Democracy", Downs (1962) proposes, however, to complete his model with the concept of *public interest*. This addition is explicitly intended to overcome the limits of the rationality assumption coupled with the self-interested axiom as an account of real political behavior without altering the nature of the model (1962: 1). In this section, we suggest that the introduction of the concept of public interest is not only relevant to get a better understanding of democracy but that it provides a conceptual basis for an analysis of the populist phenomenon within current democracies.

The concept of public interest is notoriously controversial and hard to characterize. In Downs' account, the public interest refers to a conception of what a government ought to do in light of the values endorsed by society as a normative unit (Downs 1962: 3). This definition of public interest clearly has affinities with the theory of social choice that was then burgeoning.[16] It indeed assumes that it is meaningful to ascribe to society a set of values that can be captured by social preferences. The policies that the government ought to conduct are, in this view, those that are expected to best satisfy these social preferences. Social preferences and thus the public interest is not objectively given, however. That means that two citizens will in general not have the same perception of the public interest and will not ascribe the same social preferences to society.[17] In turn, they will disagree over which public policies are the most commendable.

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[16] It is probably not incidental that Downs' PhD thesis supervisor was Kenneth Arrow. At that time, the social choice view that it is meaningful to ascribe preferences to society was vehemently opposed by some economists like Buchanan (1954). It is interesting to note that Downs largely sidesteps this debate. He only insists in the introduction of the book that he rejects the "false dichotomy" between the "organismic view of the government", which considered "the state as a thing apart from individual men", as well as the individualistic view, *à la* Buchanan, which is "incomplete because it does not take coalitions into consideration" (14-19).

[17] Downs here acknowledged, as Herbert Simon at the same epoch, the need to rely on some anthropomorphic assumptions to study organization. "Realistically, society cannot be regarded as a single entity. Nevertheless, social scientists as well as other citizens are often forced to conceive of society as a unit, in order to understand and discuss certain relationships between its parts" (1962: 3).

On this account, the concept of public interest fulfills several functions in a democratic society (Downs 1962: 4). It provides a benchmark against which citizens can evaluate government actions. It defines a conception of the common good that transcends private interests that makes possible at least a partial agreement over what a government ought to do. Finally, it gives public officials an indication of what citizens are expecting them to do and can therefore serve as a guide for the elaboration of their public policies. This last function however requires that parties "must be able to defend each decision on the ground that it is 'in the public interest' ", which itself requires providing a sufficiently "concrete concept of the public interest" (Downs 1962: 4). Downs's analysis points toward a tension for parties between providing a precise meaning of public interest in order to benefit from a consistent guide for their rational decision-making and maintain ambiguity, in order to catch as many votes as possible, about the specific policies that would be implemented.

Moreover, the way these three functions are effectively fulfilled and how they shape public decision-making depend on the content of the conception of the public interest that citizens may expect to have. While, as we noted, Downs expects conceptions will vary from citizen to citizen, he also suggests that *a minimal consensus* prevails within any stable and functioning democracy. This minimal consensus is likely to consist "of an implicit agreement among the preponderance of the people concerning two main areas: the basic rules of conduct and decision-making that should be followed in the society; and general principles regarding the fundamental social policies that the government ought to carry out" (Downs 1962: 5).

The first area of agreement that Downs singles out, the basic rules of conduct and decision-making, is constituted by rules of personal conduct on the one hand, and rules of political conduct. An example of the former is the widespread moral rule that forbids stealing and more generally refers to the range of individual rights that are granted to individuals in liberal democracies. Regarding the latter, Downs mentions the rule that in case the incumbent party is defeated in an election, it ought to quit office voluntarily and peacefully. Rules that instantiate the value of political equality also enter into this category, e.g., that each citizen's vote should weigh the same. The second area of agreement concerns features that public policies are required to have. As Downs admits, it is more difficult to characterize this part of the minimal consensus as it is largely sensitive to the historical specifics and conventions of a given society. But in essence, what Downs is hinting at here is that citizens' views about the "good society" cannot be too heterogenous and especially not too polarized. As explained before, polarization would indeed entail chronic political instability and systematic and large opposition to any policy carried out by any government.

The relationship between the minimal consensus and the conceptions of the public interest that prevail at a given time can be understood in terms of *political admissibility*. Basically, of all potential conceptions of the public interest that may be endorsed by citizens, only a subset will meet the requirements constitutive of the minimal consensus. Conceptions of the public interest that are politically non-admissible in this sense cannot prevail in a democratic society, except at the margin, for otherwise, they would undermine the principles on which the "democratic form of life" is based (Hédoin 2022). In turn, that means that public policies that conflict with the minimal consensus can only be supported by politically non-admissible conceptions of the public interest. In particular, "no policy can be in the public interest if it violates that portion of the minimal consensus concerning the proper rules of conduct and political behavior in that society" (Downs 1962: 8). Downs suggests that, from this, we can deduce at least one substantive principle:

> "Anything that is in the long run detrimental to the majority of citizens cannot be in the public interest, unless it is essential to the protection of those individual rights included in the minimal consensus. This principle of the long run majority benefit follows from the principle of majority rule, which is in turn derived from the axiom that each man has an ultimate value equal to each other man". (Downs 1962: 9)[18]

We have therefore established two important intermediary results. First, the minimal consensus that must be figured in any well-functioning democracy entails that only conceptions of the public interest that recognize both individual rights and a presumption that majoritarian personal interests must prevail over the long run are admissible. Second, beyond these constraints delimiting the set of politically admissible conceptions of the public interest, a large range of conceptions can be entertained by citizens. This last result leads to two related questions: (i) to what extent politically admissible conceptions are likely to disagree? (ii) How do politically admissible conceptions of the public interest and their diversity bear on the way citizens vote? As we shall argue, how we answer these two questions is directly relevant to understand how Downs's model, augmented by the concept of the public interest, can help understand and explain the populist phenomenon.

The introduction of the public interest into the model does not entail the full rejection of the self-interest axiom. We must continue to assume that citizens also vote based on what they conceive as their personal interests and on how they think political parties would serve them. Even in a context of perfect information, a citizen's conception of the public interest and his personal interests are likely to diverge. One's vote would then result from a weighing between the two kinds of interests. The introduction of uncertainty is likely to increase the gap for several reasons. First, the higher the level of uncertainty, the more difficult it is to assess the long-term effects of policies compared to their short-term effects (Downs 1962: 20). Immediate consequences will thus tend to be weighted more heavily in rational deliberation. Second, uncertainty makes it rational to concentrate on getting information that is likely to have a higher payoff. These two effects are compounded and entail that the higher the degree of uncertainty, the less voters will be willing to invest resources to achieve a well-informed conception of the public interest that encompass long-term issues and to acquire information about the related public policies. They will rationally arbitrate in favor of information related to short-term considerations associated with their personal interests. Downs (1962: 21) points out that this contributes to introducing a non-random bias in the conceptions of the public interest, as a citizen is likely to be disproportionately influenced by what "he knows best."

This non-random bias pushes toward a greater heterogeneity of conceptions of the public interest, at least in societies with a high degree of division of labor. Indeed, Downs considers that "specialization is a politically divisive force in a democracy which encourages men to ally as minorities to thwart the will of the majority" (1957a: 68). While this greater heterogeneity may not necessarily compromise the part of the minimal consensus corresponding to the agreement on rules of personal and political conduct, it is surely likely to stretch the agreement over the features that public policies must have. At its highest level, when coupled with the lack of trust in mainstream information providers discussed in the preceding section, uncertainty may favor the emergence of not only heterogeneous but also polarized conceptions of the public interest that are anchored into radically opposed ideologies. Downs (1962: 25) indeed points out the tight relationship between the concept of the public interest and the concept of ideology he puts forward

[18] On Downs (1961) defense of majority voting against Tullock, see Grandjean (2021).

in his 1957 book. Political parties' ideologies capture in looser and more generic ways more specific conceptions of the public interest by formulating what ought to be done and for which reasons. The emergence of polarized ideologies means that there is disagreement over the content of the democratic minimal consensus. Such ideological polarization – a widely accepted characteristic of democratic societies significantly affected by populism – is at the same time a response to and a cause of polarized conceptions of the public interest. It is a response because the political supply is functionally sensitive to the distribution of political preferences in general. It is also a cause of polarized conceptions because, in an uncertain world where mainstream information providers are less influential, views of the public interest are more prone to be sensitive to ideologies at the margin of the formerly prevailing minimal consensus.

This leads to asking how this account of the relationship between public interest and ideology can help to understand the populist phenomenon. An attractive, even if controversial hypothesis is that the populist phenomenon in democratic societies may be partly accounted for by identifying the conditions of the emergence of *populist ideologies*. Within Downs's model, populist ideologies can be associated with conceptions of the public interest that share at least two general characteristics. On the one hand, populist ideologies presumably endorse what Downs (1962: 11) calls "rationalist" conceptions of the public interest. In this family of conceptions, a "popular" or "general will of the people" can be identified, eventually by looking at what the majority of citizens think regarding a given issue.[19] As we shall see in the next section, this indeed echoes recent theoretical studies of populism that emphasize that the belief in an overarching general will around which the personal interests of a large majority of the citizenry gather is a distinctive feature of populist movements, or at least of their rhetoric. On the other hand, at least up to a point, populist ideologies lie at the fringe of the democratic minimal consensus. The infringement of the minimal consensus identified by Downs can materialize through policies that disregard some individual rights such as the right to free speech, or at least restrict them significantly. It can also happen within public policies (proposed or even effectively implemented) that overtly favor some social classes or specific groups of interests over others, disregarding or downplaying the personal interests of a part of the population. While populist ideologies cannot derogate from the fundamental substantive principle that we have identified above – at least as long as the political regime remains effectively democratic – there is a grey area of policies claiming the support of a (at least relative) majority of citizens that are in tension with the minimal consensus.

Suppose that we accept this characterization of populist ideologies in Downs's model. A last question is how can we account for their increasing importance in democratic societies? It is unclear that Downs's model can provide an endogenous explanation, with the exception of the analysis of the cumulative long-term causalities between the distribution of citizens' preferences on the one hand and ideologies and political regimes on the other. But it at least points toward a set of factors that have favored the recent development of populist ideologies. Our analysis emphasizes more particularly the following ones: (i) *a change in the distribution of citizens' political preferences* resulting from the combined effect of a change in their personal interests and an evolution of their conceptions of the public interest toward the "rationalist" family[20]; (ii) *a weakening of the influence of mainstream*

[19] This is similar to Riker's (1982) definition of democratic populism. Riker makes use of the major results of social choice theory to argue that the populist account of democracy is incoherent.

[20] Downs distinguish rationalist conceptions of the public interest from idealist conceptions and realist ones. The rationalist school defines the general interest as "the will of the people" in the sense of "the majority of citizens". The idealist school defines it as "the course of action that is best for society as a whole with respect to some absolute standard of values, regardless of whether the citizens actually desire this course of action". In other words, idealists

information providers favoring the emergence of more diverse but less pluralistic information providers as well as a growing reliance on ideologies as decision cues; (iii) *a weakening of the democratic minimal consensus* facilitating the development of populist ideologies at its fringe. While Downs's model cannot fully explain these changes as they are partially exogenous to his model, it is helpful to guide our thinking about the populist phenomenon. The next section will evaluate whether the insights provided by this Downsian analysis are confirmed by current research on populism.

Section 4: Confronting Downs's Political Economy to Populist Studies

Based on our analysis of populism in the framework of Downs's economic theory of democracy, we can now confront these insights with the main theses of contemporary populist studies. We conduct this confrontation on three main questions. First, what is the essence of populism? Second, what are the causes of populism? Third, what happens when populists reach power?

What is the essence of populism? From Downs's framework, we first derived the proposal that the universal possibility of persuasion and the function of leadership in democracy requires characterizing specific populist types of leadership, especially among political parties (Section 2). Then, we explained how ideologies, under the assumption of uncertainty, act as the main devices to perform leadership, defined as information provision to persuade citizens. But defining the essence of populism consequently requires dealing with the content of ideology. The reconstruction of Downs's framework leads us to the conclusion that populism, as an ideology, emerges because of polarization and lies at the fringe of the minimal consensus that renders a democracy stable. It lies at the fringe since it provides an alternative conception of the public interest, which is assumed to be objectively known. The reader who is familiar with political science literature can note that Downsian analysis thus encompasses the two main approaches to populism and avoids some of their shortcomings. In particular, a Downsian theory of populism does not neglect either the demand for or the supply of populism.

The first main approach is the political-strategy approach (PSA) of populism. Answering criticisms leveled against PSA, Kurt Weyland depicts "populists essentially as power-seeking opportunists" with weak "ideological commitments" (2021: 185). Such a view is not satisfactory from Downs's framework, since any party has an instrumental use of ideology. So, either Downs only theorizes the behavior of populist parties, or such a claim is unable to distinguish the specificities of populism. Since Downs does not have a "selective rationalism" (Rueda 2021), we necessarily agree with the second option. Weyland also argues that the PSA "main axis" is "leader-centrism", namely that because citizens "are too amorphous and heterogeneous to act, they unavoidably entrust their supposed agency to a leader, who claims to execute the people will" (2021:186). This could echo at first sight the emphasis Downs put on uncertainty, persuasion, and leadership, even if *the function* of leadership in Downs's framework is analytically distinct from *the figure* of a charismatic leader.[21] In this regard, our Downsian economic theory of populism avoids both conflating populism with demagoguery and neglecting populist political forces which, like "Occupy Wall Street" in the U.S. or the "Yellow Vests" in France, were not gathered around a

define a general interest independently of majoritarian preferences. Finally, the realist school believes that the notion has no content, or that it is contained in the democratic method, rather than in its outcome (Downs 1962: 10-12).

[21] Weyland indeed acknowledges Max Weber's influence on his PSA.

charismatic leader (Mudde et Kaltwasser 2012: 6-10; 2018: 1672). Moreover, if we accept the Downsian framework, organizations exercising populist leadership - be they parties, pressure groups, or the media - are organizations like any others, which implies recognizing that all "provide only those facts which are favorable to whatever group they are supporting" so as to have " a decision which aids their cause" (1957a). Hence the question, what is the cause, that is to say, the objectives, of populism? We show that it requires investigating populism as an ideology, therefore justifying the necessity to link the two main approaches of populism.

The second main approach, namely the ideational approach of populism, precisely defines it as "a thin-centered ideology that considers society to be ultimately separated in two homogeneous and antagonist groups, 'the pure people' and 'the corrupt elite', and which argues that politics should be an expression of the *volonté générale* (general will) of the people" (Mudde & Kaltwasser 2012: 8). Mudde and Kaltwasser also argue - in lines with Ostiguy (2017), Urbinati (2019) and Rosanvallon (2020) - that there exists an ambivalent relationship between populism and liberal democracy because of "the tension between the democratic promise of majority rule and the reality of constitutional protection of minority rights" (2012: 12). Such an approach to populism is related to Downs's framework in two crucial respects. First, based on Downs's model, we identified two necessary conditions for the emergence of populism. On the one hand, the high polarization of the conceptions of the public interest within society. On the other hand, a discrepancy between the preferences of significant fractions of citizens and government policies as well as mainstream challenger parties' programs., . Downs's model thus provides the rationality behind populist attempts to oppose the people to the ruling elite, be they the government or its mainstream challengers. Second, we explained that populism emerged as an appealing ideology because of the crisis of the minimal consensus necessary for the stable functioning of democracy. Reformulating Downs' depiction of such a consensus, it is composed of a liberal dimension - the basic rules of conduct and decision-making - and a democratic one - the long run interest of the majority, that appeal to populist conceptions of public interest. In case of conflict, Downs argues, endorsing a normative take here, that the protection of individual rights included in the minimal consensus should prevail over the principle of majority rule- since this latter "is in turn derived from the axiom that each man has an ultimate value equal to each other man". (Downs 1962: 9).[22] Populists release the tension in the opposite direction since they assume a rationalist conception of the public interest. Indeed, by assumption, since public interest is "the will of the people", it is necessarily endorsed by *the* majority. But the legitimization of the majority principle does not hinge in this case on the axiom of equal value of individuals. It hinges on a unitary conception of the public interest. This specificity of populist ideology explains its elective affinities with personalized leadership. A charismatic leader embodies such unity.

Downs rejects the assumption of the unity of public interest because of his criticism, hinging both on Schumpeter and social choice theory, of the rationalist conception of the public interest. First, most citizens are not politically informed, as he explained with his theory of rational ignorance reinforced by uncertainty so that they do not have a "genuine will about what should be done." Second, even if these preferences were informed and genuine, there remains the problem of translating the notion of public interest into concrete policy measures. Thirdly, the work of Black and Newing (1951) leads Downs to conclude that political parties are faced with the impossibility of "consulting the general will." Either they could strive to convince people that their actions are in the general interest, or they could choose actions that they believe to be in line with what they

[22] Such a claim proves again that Downs did not provide a normative theory of democracy, contrary to the aforementioned claim of Alchen and Bartels.

perceive to be the majority opinion about the public interest. The minimum match required between citizens' conception of the public interest and that of politicians is however not guaranteed because of uncertainty. It is even less so if one considers that the majority does, or even can, not know what is beneficial for its long-term interest. Moreover, in both cases, the public interest is assumed to be objectively known (Caramani 2017). Yet the first strategy – trying to convince people - rather characterizes technocratic politics while the second strategy – following the perceived majority opinion - rather appears as the populist one. Challenging the ideational definition of populism as a "thin ideology", Schroeder stresses that contrary to technocrats, populists indeed "seek an overall change of the political direction" (2020: 26). This is the reason why they always lie at the fringe of the minimal consensus.

If the issue of the essence of populism is a necessary step of populist studies, many works on populism, which are empirical in a vast majority, are addressing the issues of the causes of populism (Guriev and Papaioannou 2021). Downs's framework points toward three main variables, yet exogenous to his modeling (section 3). The first one is related to *changes in the distribution of citizens' political preferences* resulting from the combined effect of a change in their personal interests and an evolution of their conceptions of the public interest toward the populist one. Downs's theoretical framework gives credit to two complementary theses, namely the "cultural thesis" (Norris & Inglehart 2016) and the "economic thesis" (Rodrik 2018; 2021). In both cases, change in citizens' preferences, which is itself generated by long-term cultural changes and economic dislocation, is considered one of the main causes of the demand for populism from citizens and the success of populist parties. Exposure to international trade, particularly Chinese exports and their impact on employment and wages (Autor 2020; Colantone & Stanig 2018), as well as the decrease in interpersonal and political trust (Algan et al. 2017; 2019), contribute to the increase in voting for populist parties. Longer-term cultural changes mainly independent of economic dislocation, that is to say, changes in cultural and political values, would also generate changes in the distribution of citizens' preferences (Ignazi 1992). And such changes in values have an influence not only on populist behavior (votes expressed in favor of a populist party) but also on populist attitudes (beliefs on the nature of the public interest and opinions toward the elites).[23]

The second variable is the *weakening of the influence of mainstream information providers*. Again, Downs' political economy appears as a relevant guide to help achieve a better understanding of populism. Yascha Mounk (2016) convincingly stressed how the end of mainstream media monopoly following the advent of the internet opened the possibility of populist ideology to reach and consequently persuade citizens. More generally, Downs's analysis of the role of information providers and how voters delegate information provision to them can be articulated with the widespread view that the rise of populism is explained by epistemic mechanisms (Rauch 2021; Van Kessel & al. 2021). Political polarization, at the same time a cause and a symptom of populist politics, is indeed fed by the lack of trust that many citizens have in traditional information providers, especially experts and mainstream media. While this does not necessarily make citizens more ignorant, that tends to signal that their sources of information are at the same time more diverse (including social media and other unconventional providers) but also probably less pluralistic in content.[24] This phenomenon potentially reinforces, to echo the PSA, the role of styles of leadership and ideologies as decision cues for rationally ignorant voters.

[23] On populist attitudes, see for instance Akkerman & al. (2014), Geurkink & al. (2020).
[24] An experiment by Alcott & al (2021) shows that switching-off social media (Facebook) "reduced both factual news knowledge and political polarization".

The third one is the *weakening of the democratic minimal consensus,* which enables the development of populist ideologies at its fringe. Downs has contributed to the popularity of the convergence-in-the-center thesis. This phenomenon, observed in the West since the 1980s, has contributed to the exclusion of certain issues from the political agenda and has favored abstentionist or so-called anti-system voting behavior on the part of voters located at the "extremes" (spatially speaking) of the political spectrum (Ignazi 1992).[25] This phenomenon of convergence at the center is crucial for understanding the emergence of populism in developed countries, even those, such as the Scandinavian countries, Austria, or the Netherlands, with relatively strong economic growth and social protection (Mudde 2016; Grindheim 2019). We have pointed out that Downs's framework leads to a conclusion already defended by Mudde and Kaltwasser 2018, 272), namely that the emergence of populist parties is a consequence of a lack of polarization of the ideological on the supply side of the political market relative to the polarization and heterogeneity of citizens' preferences. Downs however points out that it is important to distinguish between two types of new parties, namely parties created to win the election and parties created to influence existing parties (1957a: 127). At present, many populist parties have been able to gain power. But even when they do not, their influence on the so-called mainstream parties is significant (Abou-Chadi & Krause 2020) such that they contribute to the redefinition of the good society.

The weakening of the minimal consensus, seen as a root cause of populism, implies asking what happens to this consensus if populists come to power. This question is fundamental and is, according to Weyland (2021), the strength of the PSA as opposed to the ideational approach. Here again, Downs's framework does not leave us without an answer, quite the contrary. As a reminder, we explained that Downs's framework suggests that the emergence of populist ideologies is a response to polarized conceptions of the public interest, so that populism lies at the fringe of the minimal democratic consensus. Such an emphasis on the potential weakening of the minimal consensus to understand the instability of democratic regimes and, consequently, to grasp the emergence of phenomena such as populism, could theoretically lead to two different paths. In the first scenario, the populist party in power is a vector of "radical changes of government" or "civil wars" which always risk reinforcing the polarization of society, i.e., for Downs, the lack of consensus, however vague, on what is the good society, i.e., the general interest (1962: 6). Such a path then risks leading the populist party to leave the space of minimal democratic consensus in order to maintain power in a still polarized society. President Trump's term in office, the continuing state of division in U.S. society, and the events of the Capitol following his non-re-election are historical examples of this first type of scenario that weaken the "allegiance to democratic forms of government" (Downs 1987: 133).

In the second scenario, on the contrary, the populist party in power succeeds in reducing polarization, i.e. in bringing about a new majority consensus on the social ends deemed desirable, in other words, in forging a renewed majoritarian conception over the content, however vague, of the public interest. In such a scenario, populism no longer appears as a democratic threat but, on the contrary, as a solution to chronic democratic instability. The tumultuous return of General de Gaulle to power in 1958 in France, in the context of the crisis of the Algerian War, but founding a new Republic, might be one of the best historical examples of this second type of scenario of a populist coming into office and succeeding in creating, albeit for a time, a new majoritarian

[25] In addition to indifference, the link between convergence to the center and abstention can be explained in a Downsian framework with regard to the cost of information: 'When the left-right divide becomes less visible, the cost of understanding political debates increases and electoral abstention grows' (Facchini & Jaeck 2019).

consensus. As soon as a populist force came to office and managed to replace the minimal consensus in crisis by another one, it seems, by definition, to cease to be characterized as a populist, relative to the new consensus. But such ruling populist party could succeed at the cost of a consensus that is out of the scope of the liberal consensus, to give birth to "illiberal democracy" (Zakaria 1997), a label claimed by Viktor Orban for instance, or "electoral democracy" in opposition to "liberal democracy" (Rodrik & Mukand 2020).

In this perspective, it is appealing to see different consensuses as counting as different equilibria that can be reached, only some of them that can be characterized as liberal and democratic properly speaking. This point raises two interesting questions that we can only mention in passing. There is first the issue of what makes a consensus count as liberal and democratic. Downs gives relatively few indications as he does not specify in detail the content of the rule of personal and political conduct that characterize the liberal democratic consensus. It is obvious that a political system that disregards the substantive majoritarian principle could not count as democratic. For the rest, we are indeed left with the possibility we mention just above that an "illiberal democracy" emerges. This leads to a second question which concerns the stability of the various equilibria that can be reached. It is unclear today whether or not an illiberal regime can remain democratic over the long run. This issue is directly relevant for contemporary debates in political science over the nature of populism and whether it can be properly characterized as promoting an illiberal form of democracy, though on this, Downs's account does not provide any particular insight.

In accordance with the method of reflexive equilibrium, we can now propose a conceptual definition of the essence of populism. Populism is, in essence, a political force in a democracy, always present in a latent state, and rationally promoted by political platforms, in the form of a political ideology, when the minimum consensus required for democratic stability is in crisis. Taking the form of a political ideology, populism is expressed through a rationalist conception of the public interest that enjoins the tension, which necessarily exists when citizens' preferences are polarized, between the protection of individual rights and the majoritarian fact, to be resolved in favor of the latter. As an ideology, populism is necessarily driven by a political strategy. Populism is often, but not necessarily, embodied in a leader as a figure, who is supposed to guarantee the unity of the majority will. Finally, as an effective practice of power, populism is the bearer of an alternative minimal consensus, concerning what has to be done rather than the rules of conduct. But it carries within itself its own negation. For, if successful, that is to say acquiring political admissibility, what was a populist force in reference to the former minimal consensus becomes a conventional political force.[26] If it fails, i.e., if it is unable to reduce the polarization of preferences, a populist power is not only likely to reinforce the democratic instability that made it emerge, but also to undermine the part of the minimal consensus composed of the rules of democratic conduct, in order to maintain itself in power. Populism, as a political force, is thus, theoretically, likely to regenerate as much as to sound the death knell of a democratic political system.

[26] This explains the difficulty to define populism without reference to liberal democracy and give credit to the claims to clearly distinguish the essence of populism with historical and geographical expressions of populist forces.

Conclusion:

We started this paper by mentioning three related objectives. It is now time to take stock and evaluate what we have learned from Downs's political economy about the nature and causes of populism. First, we have emphasized constitutive but nonetheless often misunderstood aspects of Downs's theory of democracy that are directly relevant to a theory of contemporary populism. More than the convergence-in-the-center thesis with which his theory is often associated, the roles of uncertainty, ideology, and diverging conceptions of the public interest are at the core of Downs's model. Our second objective was to use populism as a test of Downs's theory of democracy, acknowledging that a relevant positive theory of democracy should be able to provide insights into the populist phenomenon within contemporary liberal democracies. The third, and related objective was to confront in this perspective Downs's political economy to the recent literature on populism. We retain two lessons here. On the one hand, Downs's neglected emphasis on the importance of the minimal consensus for the proper functioning of democracy provides an essential point of departure. It helps in particular to explain the relationship between the increasing polarization of political preferences and the nature and causes of populism. On the other hand, while Downs's political economy helps to identify many causes of populism, they are essentially captured as parameters in his model and therefore are not directly accounted for.

Reflecting on Downs's contribution to our understanding of both democracy and populism opens the door to several further questions. In particular, the issue of polarization and its mechanisms emerges as central. While there is a temptation to link increased polarization with a lack of information from voters, Downs's political economy indicates that mere information provision is unlikely to stabilize the minimal liberal democratic consensus. Political disagreement is today rooted in divergent fundamental beliefs that persons take to be constitutive of their personal and social identities. The possibility of rebuilding the minimal consensus in face of this kind of disagreement is a subject that calls for further research.

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