"We need public financing of democracy"

An interview with Julia Cagé August 23, 2019

In late 2018 and early 2019 the *gilet jaunes* turned out weekly to defy the France of Emmanuel Macron. The cracks unveiled by such social contestation go deep and reflect democratic institutions that have been steadily undermined. From a party system that favours the interests of big donors to a precarious journalistic profession, Julia Cagé, author of *Saving the Media* and *The Price of Democracy*, presents what it might take to fix them. Democracy vouchers, referendums, and European public sphere: she presents fresh ideas to re-balance power and representation across society.

Le Grande Continent: your books reflect on two pillars of the public realm: information and representation. In today's social unrest, do you see any of the points of weakness addressed in your work?

Julia Cagé: Yes: the crisis in representation. Behind France's *gilets jaunes* crisis lies a demand for visibility. What's striking about *The Price of Democracy* is that it's a book I started writing in 2014. I would have written it regardless of whether President Emmanuel Macron was elected and even if presidential candidates Hamon, Mélenchon or Fillon had won. But at the same time, in light of events, it takes on a particular significance because one of its central arguments is that the current crisis in representation – which partly explains the rise of populism – is due to the way that political campaigns are financed. This method of financing makes politicians court the most privileged who finance their campaigns, rather than the greatest number of people. This phenomenon was symptomatic of Emmanuel Macron's campaign, which had an extremely successful fundraising drive that, in my opinion, came at the price of the policies subsequently implemented, namely the scrapping of the wealth tax and exit tax, and the implementation of the flat tax.

Where should we look to fix this crisis of representation? Politics seems distant whether you are talking about national politics in Paris or European politics in Brussels and Strasbourg.

I think that we need radical change at national level. That's why I have proposed a "mixed" parliament and a reform of the way we elect our parliamentarians. The second level that really makes sense is the European level. That's what's worrying about the *gilets jaunes* movement: when you ask them about a possible European list, their first response is that Europe isn't one of their concerns and isn't a relevant level. That's why the far right is playing on this rejection of Europe for electoral gain.

Europe is what we make of it and, importantly, what France makes of it.

I actually think that we have too often used Europe as a sort of scapegoat: "*it's not our fault, it's Europe's fault*", or "*we don't want to these reforms but Europe forces them on us*". Instead, we need to accept the fact that Europe

isn't something that just appeared out of thin air. Europe is what we make of it and, importantly, what France makes of it. That's why I signed the <u>manifesto for the democratisation of Europe</u> and one of its key proposals is a European Parliament made up of national parliamentarians, so we can end this situation where the two levels don't speak to each other or the national level washes its hands of Europe.

How do you view Europe's current institutional framework?

The current framework is not democratic and that's what Europe is suffering from. We need a more involved local level, more representative national representation and European representation that is made up of national representations.

One of the proposals outlined in *The Price of Democracy* is democracy vouchers, which would allow every citizen to finance the party of their choice. Won't this system reinforce the divide between the conception of democracy as the overlapping of private interests and another that sees democracy as means for furthering the common good?

Democracy vouchers are a response to the current rigging of the democratic game due to the growing importance of private financing for campaigns and parties. The premise of the book is that democracy has a cost that must be financed, although it doesn't have to be unlimited like in the United States. If we don't want this cost to be borne by private interests, it must be financed with public money. One of the most ambitious proposals in my book is to drastically limit campaign donations. Today, there is a limit of 4600 euros per person for campaigns and 7500 euros per person for parties. These amounts are too large. You might think that in France there's no problem because donations are capped, except that a donation of 7500 euros gives 40 times more weight to someone with money than somebody without and who would be making an enormous financial sacrifice by donating 150 euros. I therefore propose a cap of 200 euros. It's pretty drastic but has the merit of creating a level playing field for every citizen to donate.

We then need public financing of democracy. Today, it takes two forms. On the one hand, there is indirect public financing through tax breaks on private donations, which is part of the system's unfairness: not only do we let the richest finance political life, we also subsidise them to do so through tax breaks. On the other, direct public financing of political parties has the problem of being fixed at five year intervals as it depends on the results of the last parliamentary elections, while political life is not fixed at five year intervals – we see that today with the *gilets jaunes* and the emergence of *En Marche*!

It's vital to give the same weight to every citizen in keeping with the idea of "one person, one vote". This equality must by reflected and included in party financing.

For me, it's vital to give the same weight to every citizen in keeping with the idea of "one person, one vote". This equality must by reflected and included in party financing. Each citizen should receive the same amount of public money to finance the movement of their choice and that's where democracy vouchers would come in, by taking the public money that's spent on democracy today and allocating it to each citizen at a rate of 7 euro per person per year.

Today, many parties are calling for recall referendums. I'm not at all in favour. I think that once an elected representative has been given a mandate, they must see it through to the end. When recall referendums are introduced, it's generally for the wrong reasons. On the other hand, we need to give citizens more ways to signal

which politicians they do and don't like and that's also something that democracy vouchers would allow. It would send signals to both the party in power and the opposition. In France, we also suffer from having opposition parties who don't do anything when out of power, who don't make proposals and who are not ready when they take power. They should make counter-proposals and take part in democratic process and debate. For me, democratic vouchers are also a means for continuous democracy while avoiding the potential excesses of recall referendums.

Your book highlights the concentration of capital in the media as a means of influence and censorship, or at least self-censorship. But doesn't the fluidity and lack of gatekeepers offered by social networks – popular and vital sources of information, from the Arab Spring to the *gilets jaunes* – mean that they are an alternative space for democratic expression?

No. The debate around social networks has shifted markedly. From the mid-2000s to 2011 and the Arab Spring, social networks were seen as a liberating tool that enabled citizens to bypass government control of the media and communicate directly with people. It was the logical outcome of press freedom. Today, on the contrary, they appear to be a means for spreading fake news, disinformation, basically, the new devil. I've been teaching for five years and I've seen this shift in the literature: we've gone from practically all positive to all negative. During the popular uprisings in Egypt and Tunisia, the use of social networks has, over the long run, been a way for the government to keep tabs on their leaders, who are now being monitored.

In Western democracies, where there has been less enthusiasm, questions are being asked about social media's role in spreading fake news and the absence of gatekeeping usually performed by the media. There's a growing body of research. A <u>paper on the role of fake news in Trump's election in the United States</u> by Hunt Allcott and Matthew Gentzkow concluded that there was not a very strong effect. Others say that just because there wasn't a very strong effect in this instance doesn't mean there won't be in the future or that there wasn't in Brexit. It's a hot topic that requires researchers to take a step back. But what's certain is that there's been a reversal in how social networks are seen. In a way, I think that we've gone from one extreme to the other and that the truth lies somewhere in-between.

And the current crisis of information in turn highlights the need for better journalism and more journalists.

As far as the work of journalists is concerned, I believe there are two important points. On the one hand, there must be a fundamental change in journalists' working conditions. In <u>L'information à tout prix</u>, Nicolas Hervé, Marie-Luce Viaud and I documented the fact that, due to the human and resource pressures on editorial staff, copy and paste is increasingly used to the detriment of original news output. This goes back to what I said in *Saving the Media*: it's better to have a non-profit approach to journalism to prioritise news quality over profit.

there is a great deal of work to do to rebuild trust between citizens and the media

On the other hand, there is lots of work to do when it comes to media education. The "filter bubble" phenomenon studied by Eli Pariser and Dominique Cardon – which refers to the overdetermined, absolutely non-random information that we consume on social networks – is not necessarily taken into account, even by my highly educated Sciences Po students. Gradually, they understand this and start using private browsing, deleting their histories and their cookies...

What, in your opinion, is behind the emergence of violent rhetoric towards journalists?

Behind the violence against journalists, which is inexcusable, lies a question: who owns the media and to what extent can this bias coverage of events such as the *gilets jaunes* protests? When talking to *gilets jaunes* or indeed

any other citizens, I'm struck by the image that many people have of journalists: for them, the image of journalists is embodied by... Christophe Barbier, by *éditocrates* who live in Paris's 6th arrondissement and make a very tidy living.

However, the reality is that the journalistic profession is increasingly insecure both in terms of employment status and salary. For me, this casualisation is principally down to the shareholder structure of the media. The media is now associated with – and not without reason – the nine billionaire proprietors: Xavier Niel, Patrick Drahi and others. I think there is a great deal of work to do to rebuild trust between citizens and the media. I reflect on these issues a lot, including with journalists themselves. But this distrust is deep rooted and this effort will take time.

Returning to the debate around Europe and the cultural construction of Europe, do you think it is worthwhile developing European media? Based on a public-service broadcast model, like *Arte*, or on crowdfunding, as you suggested for the media in general?

When I say there should be crowdfunding for the media, I am advocating the idea of non-profit, crowdfunded media with donations that are part-matched by the state. I'm against tax breaks, but I think that public financing of the media should be done this way. If there were enough money in crowdfunding, there would be no need for this system.

Arte is a good model. There are other initiatives, like non-profit *VoxEurop*, which translates European news articles. They lack funding and this is the type of structure should be supported by crowdfunding. We have managed to make Europe for students. The younger generation is very European and it could thrive on European media. The main barrier, however, is language, which represents a significant cost due to translations.

This interview was first published in French on Le Grand Continent.



Julia Cagé is Assistant Professor of Economics in the Department of Economics at Sciences Po Paris. Her books include *Saving the Media* (Belknap Press, 2015) and *The Price of Democracy* (Fayard, 2018).

Published August 23, 2019 Interview in English Published in the *Green European Journal* Downloaded from <u>https://www.greeneuropeanjournal.eu/we-need-public-financing-of-democracy/</u>

The Green European Journal offers analysis on current affairs, political ecology and the struggle for an alternative Europe. In print and online, the journal works to create an inclusive, multilingual and independent media space. Sign up to the newsletter to receive our monthly Editor's Picks.