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1. Introduction

Political participation of the citizens is undoubtedly one of the cornerstones of a functioning democracy. At the same time, most scholars would agree that in order to participate meaningfully in a democracy citizens need a certain amount of political knowledge. However, many authors have found that the ordinary citizen lacks a sufficient level of political knowledge. (Converse 1964/Bartels 1996 etc.)

This lack of political knowledge raises questions about the role the ordinary citizens can or should play in a democracy and thus scholars, going back to Rousseau, have discussed ways to increase the democratic competence of the citizenry. One institution, research has focused on in this context, is direct democracy. Advocates of direct democracy argue that direct democratic instruments have an educative effect and enhance the level of political knowledge and political efficacy among citizens.

Despite the strong theoretic background of this argument in the *participatory theory of democracy*, the empirical evidence has been mixed and relatively weak. While papers published around the turn of the century, generally confirmed the theorized relationship, later studies have started to raise criticism and put the previous finding into perspective.

This literature review will first introduce the theoretic background of the argument, which is based in a school of thought known as *participatory theory of democracy*. Further I will discuss the sometimes contradictory empirical results to the question of whether direct democracy really has the theorized educative effect on its citizens. Finally, I will assess the current state of research and voice criticism on the theoretical as well as the methodological level.

This literature review will, however, not discuss the advantages and disadvantages of direct democracy in general and will also not enter into an in-depth discussion of whether citizens can generally be seen as competent or not. 

2. Participatory theory of democracy and direct democracy

The major justifications for participatory democracy are derived from theoretical and practical limitations and deficits of liberal democracy (Schiller 2007). Proponents of participatory theories of democracy like Pateman (1970) or Barber (1984) argued that the existence of representative institutions is not sufficient for democracy. Instead, these authors envisioned the maximum participation of citizens in their self-governance, not only in what is typically called the political sphere, but also in the workplace (Hilmer 2010). The earliest sophisticated account of participatory democracy is Carole Pateman's (1970) *Participation and Democratic Theory*. Her core argument concerns the educative effect of participation on the citizens.

"The major function of participation in the theory of participatory democracy is therefore an educative one, educative in the very wide sense, including both the psychological aspect and the gaining of practice in democratic skills and procedures."
(Pateman 1970: 42)

This argument can be traced back to Rousseau, whose theory provides the starting point for any discussion on the participatory theory of democracy (Pateman 1970). Two theorists that reinforced and translated Rousseau's argument about the educative role of participation into the context of modern political systems were J. S. Mill and Cole. Like Rousseau, Mill and Cole argue, that it is only by actively participating in politics that citizens can "learn democracy". In that sense the participatory system is self-sustaining, as the act of participating is argued to strengthen the very qualities necessary for it. The more the citizens participate in the political process, the better they become in doing so. Pateman (1970: 42f.)

An important element of these qualities citizens are thought to gain by actively participating is a sense of political competence, which is known as political efficacy (Pateman 1970: 46). According to Almond and Verba (1965: 206f.) "the belief in one's competence is a key political attitude" and it has also early on been shown empirically that this sense of political efficacy is positively related to political participation.

What role does direct democracy play in the participatory theory of democracy? Pateman (1970) and other theorists of participatory democracy in the early 1970s developed very broad concepts of participation, were often not very specific about the channels of participation they foresaw and mainly focused on participation in the sphere

of the workplace and not on the political process in its narrow sense. In line with that, many publications during those years did not explicitly mention direct democracy as a form of extended political participation. (Schiller 2007)

Barber (1984), however, goes further than that by providing concrete recommendations for the implementation of a “strong democracy”. Similar to Pateman (1970), Barber (1984:152) argues that

“Community grows out of participation and at the same time makes participation possible; civic activity educates citizens how to think publicly as citizens even as citizenship informs civic activity with the required sense of publicness and justice. Politics becomes its own university, citizenship its own training ground and participation its own tutor.”

Barber (1984: 151) defines his concept of a “strong democracy” as “politics in the participatory mode”, by which he means self-government by the people through institutions that facilitate continuous civic participation in agenda-setting, deliberation, legislation and the implementation of policies. According to Barber (1984), deliberation, or what he calls “political talk”, forms the participatory basis of a strong democracy. In line with that, he criticizes the political elites for “throwing” referenda at the people without providing them with thorough information and full debate and then denouncing the citizens for their lack of judgement and competence. Despite this criticism, the introduction of a national initiative and referendum process forms an integral part of his concept of strong democracy. However, he doesn’t simply add direct democratic instruments to his strategy, but argues that they need to be combined with features like mandatory neighbourhood assemblies and interactive-television town meetings for civic education, a two-stage voting process with two readings and a multi-choice format instead of the conventional yes/no option.

In short, Barber (1984) argues, that direct democracy is a powerful instrument for civic education that can help to revitalize popular talk and public decision-making, but only if it is combined with programs that strengthen deliberation. Otherwise, the fears of direct democracy’s critics concerning manipulation by money and elites and the plebiscitary dangers of direct legislation might be justified.

While Barber (1984) points out that direct democracy has an important function within participatory democracy, some proponents of the theory are rather undecided about

direct democracy. One reason might be the majoritarian character of direct democracy or the fact that initiatives and referenda don't live up to the ideal image of participatory democracy, including face-to-face deliberation and intense debates.

However, compared to the election of representatives every few years, direct democratic procedures should definitely have a stronger educative effect. To put it in the words of Schiller (2007: 52) there is no doubt that theories of participatory democracy are the natural "home base" of direct democracy. Thus it comes as no surprise that literally all the scholars who have conducted empirical tests of some aspect of the educative effect of direct democracy base their argumentation on the claims of participatory democratic theory. However, while discussing the diverse empirical findings in the following chapters it is worth to keep in mind that direct democracy, and especially direct democracy without intense deliberation, does not necessarily comply with what Pateman (1970) and other proponents of theories of participatory democracy had in mind.

3. The educative effect of direct democracy

3.1 The vision of the progressive era

The idea that direct democracy could stimulate the public's political knowledge has its origins in the Progressive Era at the beginning of the 20th century. Advocates of initiatives and referenda argued that if people would have a real voice in legislation by deciding directly on policy issues, they would become more interested in and more knowledgeable about politics in general. (Smith 2002: 892)

The progressives, among them Woodrow Wilson, had two main arguments in favour of direct democratic procedures. On the one hand, it was argued that direct democracy could serve as an institutional check on unresponsive state legislators and, on the other hand, as mentioned above, reformers claimed that voting on initiatives and referenda would have an educative effect on the people. (Smith and Tolbert 2004)

Indeed, proponents such as Munro (1912) or Reinsch (1912) believed that the "educative by-products" of direct democracy would strengthen the progressive ideal of democratic participation by increasing citizen's political knowledge and interest, civic engagement, political efficacy and electoral turnout. In other words, the introduction of direct democratic instruments was seen as a potential remedy for political apathy.

About a century later, after an explosion in the use of initiatives throughout the American states in the 1990s (Gilens et. al 2002) and rising concerns about a lack of political participation and civic engagement in light of Robert Putnam's famous book *Bowling Alone*, a number of papers and books were published that empirically assessed the claims of the Progressive Era and the ideas of participatory democracy. The first attempts to apply participatory democratic theory to voting on initiatives and referendums were conducted in the beginning of the 2000s. This strand of research focused heavily on the context of the United States and to a smaller extent on Switzerland, where the use of direct democratic instruments is institutionalized and widespread.

In a first step it makes sense to disentangle what I have so far referred to as the "educative effect" of direct democracy and thus distinguish between studies that focus on the effect of direct democracy on actual, measurable competence (political knowledge) and on self-perceived competence (internal political efficacy)¹.

3.2 The educative effect of direct democracy on political knowledge

3.2.1 Supporting evidence from the US

One of the first, and much-cited attempts to test the relationship between direct democracy and political knowledge is a study conducted by Smith (2002). Smith (2002: 893f.) argues, based on the ideas of the progressive era and participatory democratic theory, that a regular use of initiatives may initiate a process that finally leads to an increase in citizen's knowledge about politics. He postulates that direct democracy might increase a feeling of political efficacy among citizens, in the sense that people come to believe that they have a say in politics and that they can participate meaningfully, which in turn might increase citizen's political interest. These effects combined, Smith (2002: 894) argues, are likely to increase political knowledge among citizens. He, however, expects this process to operate only over the long term and not over the course of one specific campaign. Additionally, following participatory democratic theory, he assumes this effect to be restricted to those that actually participate in the vote. Smith (2002: 895) measures political knowledge with an index

¹ The concept of political efficacy is usually separated conceptually into internal and external political efficacy. This literature review will focus on the former, which captures citizens' feelings about their ability to participate meaningfully in the political process. The latter, which has also been tested in the context of direct democracy, captures citizens' attitudes about the responsiveness of the government. (Bowler and Donovan 2002:372)

created from factual questions in the 1992 Senate Election Study. Direct democracy is measured as the number of initiatives and popular referenda that appeared on the ballot over the past 20 years (long-term) and in the current election (short-term).

The results support the hypothesised effects: Among voters an increase in the long-term measurement of direct democracy significantly enhances political knowledge, while only insignificant effects were found for the short-term measurement and for non-voters. In conclusion, these findings indicate that initiatives and referenda do increase political knowledge among citizens who actually vote on them, but these processes “require some time to materialize” (Smith 2002: 898).

Probably the most well-known and most extensive work on the educative effect of direct democracy in the US context was published by Smith and Tolbert in 2004 under the title “Educated by Initiative”. Similar to Smith (2002), Smith and Tolbert (2004) hypothesise that exposure to direct democracy should increase political knowledge. The mechanism they suggest, however, differs from the one Smith (2002) presented. Their argument mainly relies on increased media coverage of politics in the context of ballot initiatives. The authors argue, that initiative campaigns, often involving extensive media campaigns, provide citizens with low-cost information, creating more opportunities for political learning. Smith and Tolbert (2004) test their argument relying on data from the American National Election Study (NES) for the years 1996, 1998 and 2000. Like Smith (2002) they use factual knowledge questions on politicians and parties to measure political knowledge. Direct democracy is captured by the number of initiatives on the ballot each year.² In contrast to Smith (2002) Smith and Tolbert (2004) do not argue that the educative effect of direct democracy is limited to those who actually vote on the propositions. They, thus, don’t differentiate between voters and non-voters in their empirical analysis.

The results of the study only support the hypothesis for the year 1996, but not for 1998 and 2000, which seems to indicate, that the effect of direct democracy on citizen’s political knowledge depends on the political context. Smith and Tolbert (2004) argue, that the strong interrelatedness of initiative campaigns and federal election campaigns in 1996 but not in 1998 and 2000 constituted the decisive factor. Thus, the analysis suggests, that initiatives do contribute to a better-informed electorate, but only if they

² The authors additionally estimated their models using the annual long-term average of initiatives on the ballots, which didn’t change the results.

are closely linked to the campaign issues of state or national candidates.

Summing up the findings of Smith (2002) and Smith and Tolbert (2004) we find support for a positive effect of direct democracy on political knowledge in the US context. However, there seem to be two limitations: The long-term effect seems to be restricted to those who actually participate and the short-term effect seems to depend heavily on the electoral context, as it was only found for some years but not for others.

3.2.2 Supporting evidence from Switzerland

Arguably the strongest evidence for a positive effect of direct democracy on political knowledge comes from Switzerland. Benz and Stutzer (2004) argue that voters are better informed if they have a larger say in the political process. They base their research on the theoretical argument that a political system, which offers its citizens more possibilities to participate in politics, will increase the demand for as well as the supply of political information and thus to a certain extent solve Downs' (1957) "rational ignorance" problem. On the supply side, the incentives for the political elites to explain complex policy issues to the citizens and provide them with justifications about why they support or oppose a certain initiative or referendum are much higher if there will be a public vote on it, which they want to win. On the demand side, citizens have stronger incentives to seek for information in a more direct democratic context, since they are more often involved in political discussions, in which "having an opinion", according to Benz and Stutzer (2004: 34), becomes to a certain extent a private good.

While this last argument seems convincing in the Swiss case, where direct democracy has a long history and intense discussions about upcoming initiatives or referendums are not an exception but the general rule, I doubt that it is transferable to any other political context outside of Switzerland.

The empirical analysis is based on the 1996 SELECTS survey, which asks respondents to answer questions about the fundamental characteristics of the Swiss political system. Benz and Stutzer (2004) use them as proxies for citizen's level of information on political issues. The authors take advantage of the fact that there is significant variance between the Swiss cantons in the strength of direct democracy, which makes them good laboratories to test the hypothesised effect. In contrast to the American studies discussed above, Benz and Stutzer (2004: 38) don't look at the actual use of direct democracy (i.e. the number of initiatives on the ballot over a certain amount of time) but

rely on an index that captures the direct participation rights in every Swiss canton, or, to put it differently, the “barriers” for citizens to launch an initiative or a referendum.

Thus, they argue that it is the mere availability of strong direct democratic instruments and not necessarily the frequency in which they appear on the ballot, which should increase the level of political knowledge among citizens. The results confirm their hypothesis: Citizens who live in cantons with more extended direct democracy are better informed about politics. The effect is not only statistically significant but also remarkable in substantive terms.

3.2.3 Critical voices - no effect for more recent years

A more recent, and according to Biggers (2012: 1002) the most comprehensive attempt to test whether direct democracy enhances political knowledge, was conducted by Schlozman and Yohai (2008). They used US data from the ANES post-election survey and covered a period of 16 years (1988-2004), relying on one-year measures of the number of initiatives. Political knowledge is measured with questions about political figures on the one hand and the identification of parties’ ideological placement on the other hand. Following Smith (2002), Schlozman and Yohai (2008) analyse voters and non-voters separately. They fail to find any effect for both voters and non-voters applying the first measure of political knowledge. If the respondents’ knowledge about parties’ ideological position is considered, the authors find positive but rather modest and from 1996 onwards statistically insignificant effects for voters, while they again fail to find any consistent effect for non-voters.

These findings strengthen Smith’s (2002) assumption, that only those who actually participate are receptive to the educative effect of direct democracy (although in a very modest way). However, they also show that the hypothesized effect doesn’t seem to hold for the more recent time period at all.

These last results are confirmed and further strengthened by Seabrook et al. (2015), who fundamentally question whether there is any effect of direct democracy on political knowledge. They contend that simply confronting citizens with a greater number of initiatives would not enhance their general political knowledge in any way. The authors challenge both mechanisms suggested by Smith (2002) and Smith and Tolbert (2004). On the one hand, they point to the fact that recent literature fails to find any effect of direct democracy on political efficacy (see chapter 3.3.1) and on the other hand they