

## AP02: METAPHYSICS, PUBLIC CHOICE THEORY & POLITICAL HISTORY (3/89, 8/91; 12/94, 6/95, 9/96)

### A. Resolving the Paradox of Sovereignty

2a. *What is necessary before people will volunteer to be coerced by a state? Why does this make material determinism impossible in politics? How and to what extent does Eric Voegelin resolve this paradox?*

The above question requires discussion of political philosophy and technical political theory. It is legitimate for historians to consider the issues such study raises since the results of such consideration will influence the way we do political history.

Those of you who have done History 280 or EAS 201 have already gotten the *Reader's Digest* version of this sort of exercise. This chapter provides an expanded version of it. There is always the danger for the historian of doing either too much or too little of this sort of thing. You want to do just enough theory so that both you and your readers can understand the framework you are employing, and can be confident that you are not just making up your theory as you go along. However, you do not want to do so much theorizing as to lose the thread of narrative altogether and suffer your discourse to degenerate into some strange mixture of metaphysics and political science.

Philosophers tend, with some justification, to judge historians attempting to do moral and political philosophy much as Sam Johnson judged female preachers back in the 18th century. Though some of Johnson's best friends were "bluestockings" (as female intellectuals were then disparagingly called), and these advanced women even thought members of their sex could preach the gospel, Johnson said that observing a female preaching was like watching a dog walking on its hind legs. You did not complain that it wasn't done well, but were amazed that it was being done at all. Philosophers, with some justification, take the same attitude toward historians attempting to reason like philosophers.

Historians do tend to be slacker thinkers than philosophers. Few of them are precise logicians. And yet if they are to try to do political history coherently and don't obtain explicit political principles from the philoso-

phers and political theorists, they are going to fall back on unexplicit and muzzier ad hoc principles they carpenter up themselves to fit particular occasions. It would, therefore, be worthwhile for philosophers to tolerate historians reading their books and philosophizing further on their own. The philosophers can always correct them as necessary.

Philosophers and political theorists do not apologize when they ascribe historical causes to philosophical positions:

For Hobbes the state of nature was no theoretical construct; he thought it actually prevailed in much of the world and had prevailed in England with the breakdown of legal order during the Civil War.<sup>1</sup>

According to another philosopher, Hans Fink, the development of liberalism in the seventeenth and eighteenth centuries corresponded to the changing political situation of the bourgeoisie. Living during the first English Bourgeois Revolution, Hobbes saw human beings then as being akin to frightened animals who could achieve security only by giving absolute power to the state. At the time of the second English Revolution, when the interests of the bourgeoisie were more secure, Locke saw human beings as dignified creatures with innate rights which could be most efficiently defended by giving a limited amount of power to the state.<sup>2</sup>

Professor Fink goes on to link Jeremy Bentham's utilitarianism to the first blossoming of the industrial revolution. Industrialization encouraged the middle class to feel its own power to be potentially unlimited, and so it would yield only enough power to the state to maximize its own pleasures. Nowadays, the state of crisis into which our civilization has fallen has tempted political philosophers like Eric Voegelin into building their ideas around the circumstances that lead to such crises.

If Fink and Shapiro, who are philosophers, can historicize, turn about is fair play, and an historian can philosophize.

#### 1. The Sovereignty Paradox

Something very peculiar lies at the heart of political behavior. It involves the so-called "paradox of sovereignty." A "sovereign" is someone who is obeyed. He is the ruler. Everyone else comprises the ruled. The ruled obey the rulers. And yet the ruled far outnumber the rulers. Much of the time they are also out of the sight of the rulers. This is true

even in a very small local state, and is even more true in a territorial state, where almost all of the ruled are literally over the horizon from the sovereign almost all of the time.

And yet the ruled almost constantly behave as though they are being coerced by these mostly absent rulers. Who or what is coercing them? Why is it that I obey the cop even if I am bigger than he is? Why do I obey laws even when there is little or no chance that disobedience will be discovered and punished? We can state the paradox implied by this sort of situation most vividly by observing that the ruled appear to be volunteering to be coerced by the rulers.

How can we resolve this paradox? One way (perhaps the only way) is to paraphrase the answer given by Eric Voegelin who argues that in such situations, as in a cosmic game of cards, Heaven becomes "trumps." Though both ruled and rulers are down here on Earth, you obey the absent or physically puny ruler because if you don't, Heaven will get you. That claim of transcendence—of possessing a link to Heaven—must be made by anybody who manages to become and remain a sovereign.

This logical necessity of a link to Heaven rubs many modern people, including most philosophers, the wrong way, since an appeal to Heaven seems somehow unscientific. Perhaps we can get around that modern prejudice by defining Heaven (at least for the moment) as some generally held idea about whatever transcends and hence trumps any appeal to mere Earthly arrangements.

Some mental category like Heaven is a logical necessity for analyzing political life. Once you push back before the established habits that uphold a state that has existed for some time and the initial act of violence that can do no more than begin to establish the habit of obedience, what else can make people get into the habit of volunteering to be coerced by their rulers except a successful appeal to Heaven? The historian knows that all of the ancient early civilizations make this claim of transcendence, and that so too do all modern regimes, however metaphorically they may phrase their claim.

This may not impress the philosopher. How do you know, he asks, that these claims of transcendence are not all phony? The historian must admit that he can't be sure. Nevertheless, is it possible, he retorts, that *all* the early rulers were phonies? If they were, why didn't some of the ruled find them out? How account for the fact that the early civilizations show almost no evidence of popular rebellion against rulers. Even revolts by the rulers' social equals are rare. Frequent rebellion only comes in with high civilization, and then mostly when old Heavens have become discredited. So if the rulers were kidding people

<sup>1</sup> Ian Shapiro, *The Evolution of Rights in Liberal Theory* (London: Cambridge University Press, 1986), p. 26.

<sup>2</sup> Hans Fink, *Social Philosophy* (New York: Methuen, 1981), pp. 69-70.

about their links to Heaven, the odds are they were not only kidding the ruled, but themselves and also their fellow ruling class members who were the likeliest candidates to overthrow them.

Even when rebellion does begin to occur during late ancient times, it too must be sanctioned by Heaven. In China, Mencius tells us, when a new non-related ruler is to take over from the old one, usually after the latter's death, the would-be successor goes to some new location because he has been told by Heaven to go there. If his rebellion succeeds, the princes and the people come to seek audience with him there. The litigants of the old state also come to his court. In doing so, they are all really following Heaven's command to abandon the son of the dead ruler. So even a rebel must always make a claim to contact with Heaven.

## 2. Eric Voegelin

### a. compact vs differentiated language

Eric Voegelin is the modern political philosopher and philosopher of history who makes the most profound use of the idea of Heaven to resolve this paradox of sovereignty. He points out that we tend to reject such ancient claims to links with Heaven because we find it difficult to understand the "compact" language (now preserved only for certain types of poetry) employed then for making such claims of connection with Heaven. We have become used to discussing political matters using the more "differentiated" language of high civilized discourse, which treats even compact-style statements as mere metaphors. Even those who now make claims of contact with Heaven to justify their rule have mostly shifted from poetry and poetic prose to ordinary prose.

Poetry's compact language makes direct claims which imply more than they state. Prose spells everything out. "How many ships are on the horizon?" asks the prosaic man. "Five sail, see I," replies the poet. Of course he hasn't seen five isolated sails floating on the water. Or perhaps he has actually seen only the sails, and allows them to hint of the ships which are still just below the horizon. If that was the case, his use of compact language may also have been literally correct.

As civilization develops, language grows more differentiated: The prosaic modern version of the lookout may drone on about four ships, one with three masts; one with two masts; one a sloop; the other a barque. That prosaic account is a differentiated description of the ships.

And yet even now we tend to retain com-

compact language not just for poetry, but for when we discuss Heaven. Partly this is literary fashion, Voegelin observes. We always retain something of the style of the language carried over from the dawn of civilization. We still prefer to read the early parts of the Old Testament in the archaic-seeming poetic language of the King James translation. The Chinese still prefer to read the ancient Chinese myths in the original archaic grammar rather than expanded into the modern literary form.

However, use of compact language not only helps its users make the claim of connection with the ancient Heaven even in the later stages of civilization, the radical differentness of Heaven from Earth also compels its use if a link to Heaven must be established as the only way for a ruler and his agents to resolve the paradox of sovereignty. At least for certain purposes, differentiated language distorts the insights about the nature of Heaven that compact language can at least imply without distorting them.

### b. illogic of material determinism

The political scientist may reply that modern political philosophy talks of men's self-interest—at root their desire to stay alive and accumulate material wealth. Most philosophers state this goal openly too, at least since Hobbes started doing so. Some of Hobbes's 17th century Chinese contemporaries were also material determinists. Such thinkers always try to come up with rational arguments for men's actions based on their self-interest. They carefully explain to the ruler that as long as he respects the rights or assuages the fears of the ruled (as defined by the philosopher in question), the ruled will volunteer to be coerced by him.

This type of argument is persuasive until you notice that if a particular ruler chooses not to be persuaded, there is nothing in the assumptions of the philosopher of self-interest to keep that ruler from denying the rational necessity to respect a particular set of rights or privileges. Such a ruler might even argue that it is more rational for him to threaten the safety of that ruled person or even use him like an object. If the ruler whips out his pistol and orders the ruled to obey, and the philosopher objects, the ruler can shoot him first to show the rest of the ruled he means business.

But what does the ruler do next? Does he, like Socrates' debating partner Thrasymachus, simply argue that might is right? No. The violent ruler immediately announces that God told him to launch this violence.

So Heaven is always trumps, even in this sort of situation. Unless the secular philosopher of natural rights can say God or the Buddha-nature so designed the cosmos that it

yields all the negative rights that Hobbes and Locke and Hume and Smith & Co. talked of during the 17th and 18th centuries, they are vulnerable to the tyrant with a gun and a plausible claim to a transcendental connection. Heaven is always trumps.

Eric Voegelin claims that such a role for Heaven is a matter of logical necessity, given the empirical facts that states exist, and that the ruled most of the time obey their rulers even when the rulers are absent or weaker than the ruled. Rulers must, therefore, most of the time, and in particular when their states first begin, be basing their resolution of the paradox of sovereignty upon an appeal to Heaven.

### c. is Heaven there?

A remaining question is, it seems to me, when we see descriptions of Heaven, what are we actually seeing? Are the sages and the prophets and the sacred god-kings of antiquity and all their more abstractly justified successors right up to and including poor George Bush (who might even refer to this aspect of politics as "the Heaven thing") actually meditating their way to noticing some reality that we could call Heaven—some realm of reality separate from Man and Earth—or are they just hallucinating—merely noticing the effects on consciousness of the shape of the parts of the human brain?

The only honest reply to this is, "There is no way we can tell!" We must at least assume the sincerity of most rulers. Hypocrisy is too hard to keep up. But how can one of the created tell for sure that he is transcending his level of creation? It does not matter that all the great religions say the same thing. They may be hallucinating for the same reasons we are when we accept their statements. The most we can say is that the empirical evidence is so universal that it is probably either evidence of Heaven itself or the consequence of the way our brains are put together, or both.

A larger question is why are our brains put together that way? We can't answer that question either. However, even David Hume would have gone along with the medieval answer that man seems at least to be designed to seek Heaven. In the right mood, even Hobbes might have accepted this explanation. Hobbes said that it was just as well if people believed the religion that Leviathan (Hobbes's image of the state as an enormous and all-powerful mechanical man) uses to justify his state even though it was an open question whether Leviathan and his immediate servants themselves accepted the truth of that religion. In this respect Hobbes was anticipating the arguments of evolutionists who deny the presence of "design," and substitute "fitness to survive" for it (though some

would reply that this is a distinction without a difference).

Eric Voegelin starts with the assumption that man is the one creature who can at least conceive himself able to get off of Earth in some fashion; that he can become aware that he lives in what Voegelin calls the “metaxy”—the logical space “in the middle” between Heaven and Earth. Man is obviously not a rock, and not an animal, or at least he is a peculiar kind of animal, who once he gets in the habit of doing so, can reason and meditate himself into this middle position, using both his reason and whatever it is that animates his reason—the passions which come from his very nature.

Voegelin's use of classical Greek words makes him a bit tougher to read, but also puts him more closely in touch with the language of the first stage of high civilization in Greece, which was dealing with these things using words which still reeked of the compact. The language of the ancient Greeks, Voegelin observes, had not yet gotten too differentiated, even if their ideas had begun to do so. Even Plato, for all of his railing against the poets, is a poet himself.

#### d. separation of Heaven from Earth

It is, Voegelin insists, only because man can realize that he is in the metaxy that he can invent the state. Meditating in this metaphorical middle, men notice the realm of Heaven. The first thing they notice is that Heaven exists; that spiritual phenomena—the *anima* or *pneuma* that makes some things breathe—can be conceived of with words separate from the things in which they inhere. The Chinese call this same liveliness principle *qi* 氣, which literally means the same thing as *pneuma*.

At first, even thoughtful precivilized people believe that all aspects of what their civilized successors will later identify as belonging to Heaven exist only in the things themselves. *Qi* is in other people and animals whom one can see breathing. Trees seem to breathe too. Maybe even rocks breathe, at least occasionally, or very slowly. After all, rocks sometimes fall from their places without notice (even if there is not an earthquake), and may even land on one's head. Hence there must be a something even in the rocks that accounts for such movements. If so, that something must surround and pervade us all.

In a way, therefore, you can define precivilized man by his inability to remove Heaven from inside Earth. What apparently begins civilization is the discovery either of the nature of man's own head or of the fact that the actual cosmos contains a realm separately identifiable and whose outermost boundary lies just beyond things we can directly sense.

Since it was a creature who at least resembled a fairly bright hairless ape with binocular vision that made this discovery (perhaps after Heaven infused him with the ability to do so, thereby separating him even from the apes), he did it employing a compact language which involved the literal description of space. Where was Heaven? Why, it was just above our heads. Up There.

There are, said incipiently civilized man in China and elsewhere, *anima* (*qi*) or spirits (*shen* 神) embodying pure *anima* that are just up above us. We can imagine them or perhaps persuade ourselves that we see or otherwise detect them, for example coming out of a person who has just died.

Ancient Chinese believed in a kind of low-orbit *shen* that hovered just above a recently deceased corpse as well as a high-orbit *shen* that moved into the realm of Heaven. Perhaps the low-orbit spirit was recognized first, and only in later centuries, as men's view of Heaven became less compact, could they imagine the high-orbit spirit. You had to watch out for those low-orbit spirits which hovered around the decaying body. You had to make sure each of them was caught up in a spirit tablet after the body was buried. Thereafter they had to be provided for by periodically boiling up a stew, the vapor of which would rise to their level and feed them. Men noticed that this vapor disappeared just above their heads, and surmised that it was being consumed by the *shen* that had left the body and become embodied in the spirit tablet.

But some people don't have descendants to give them these sacred meals. What to do? People certainly didn't want any disembodied *shen* wandering about. The necessity to have some collective institution to feed those orphaned *shen* may have provided one of the earliest activities of the first proto-states.

Eventually men could imagine or detect larger and more abstractly defined deities evolving out of these descendantless spirits. The anthropologist Steve Harrell surmised such a possibility while studying the contemporary folk religion of Taiwan. Something like this could have happened in early times too.

Such meditations allowed men to begin to believe that a separate Heaven exists. Inevitably, they began to describe this Heaven, though in very compact language. They sometimes even “spoke in tongues” when doing so. Naturally they defined compact language as language's sacred form. They could understand this compact language, mentally at least, even if they could not or would not translate it into a fully differentiated outward language.

#### e. Heaven's re-presentation onto

#### Earth

Gradually they began to create structures on Earth which re-presented into actual physical arrangements of men and goods at least the way the concrete compact language depicted Heaven. These re-presentations were the earliest states.

So reads the essence of Eric Voegelin's thesis on the origins and nature of the state. He first enunciated it in his book *The New Science of Politics* (1952). Not only were the first proto-states or political communities re-presentations of the newly perceived order of Heaven, even now, Voegelin argued, the state remains a re-presentation of our current view of Heaven. If men lack any view of Heaven as in some sense separate from Earth, no state or proto-state can exist. Every state was and is a re-presentation of Heaven onto Earth, and can only continue to exist as a reflection of that Heaven.

When you have what the anthropologists somewhat loosely refer to as primitive animism, when *qi/pneuma/shen* is still completely embodied in things earthly, you can't possibly have even a proto-state. What must first occur is that some religious genius must sit down, meditate and discover that there is a realm separate from Earth—Heaven—and hence that Man exists separately from both Earth and Heaven. Men can then begin to populate that Heaven, not just with the breathings in and breathings out of completely embodied spirit, but with spirits separated from earthly beings and given names which even in compact language allows them to be re-presented back onto earth as entities separate from entities existing only here on Earth.

The potential ruler is the fellow who says something like the following: “I am one of these entities above, from the realm that is separate from Earth. My daddy became one of them when he died. He is at this moment talking to you through my mouth. Obey.” Such statements are common among the rulers of all of the early civilizations. It is commonplace for them to claim that when the ruler talks it is actually some spirit talking from the realm that starts just above our heads. That is what the Greeks meant by *charisma*, and why people feel they have to pay attention.

#### f. civilization & schizophrenia

The psychologist Julian Jaynes noticed this phenomenon, but he came up with a slightly off the wall explanation for it which is plausible, but not susceptible to empirical proof. He said that civilization is the process of learning not to be schizophrenic. We are inherently schizoid, he surmises, because we've got two sides to our brains. In the old

days the right side of the brain used to talk out loud to us. The rulers became rulers when they persuaded themselves that such orders from the right sides of their brains actually were coming from the newly discovered realm of Heaven. The ruled, who were also getting verbal orders from the right sides of their brains, just as schizophrenic people do now, listened to the king's account of his voices just as they listened to their own. This commonality of experience persuaded them that the first kings were not crazy. Eventually, listening to rulers trained most people not to hear the right sides of their own brains.

Unfortunately, there is no way to prove any of this. How can we find a Paleolithic person uncontaminated by post-Paleolithic ideas whom we can test for schizophrenia? Someone in Captain Cook's crew should have asked the Australian aborigines in the 18th century if they were hearing disembodied voices and tested their brain chemistry. Unfortunately, it didn't occur to Captain Cook to ask that question and biochemistry hadn't been invented yet. Before very long, having been assimilated into our world, the aborigines were no more likely to be schizoid than we are.

Jaynes applies to political metaphysics the principles of Watsonian behavioral conditioning. Gradually, he argues, as civilization evolved, people learned to subordinate the right side of their brains to the left side. They trained their corpus callosum (the band of nerve fibers that connects the two halves of the brain) so that they came to behave like non-schizophrenic people do now. Our contemporary minority of schizoids are the equivalent of surviving Neanderthaloids or Cromagnons, at least mentally. They've somehow not picked up the knack of how to subordinate the right to the left side of the brain.

Jaynes elaborated this thesis in his *The Bicameral Mind and the Origins of Consciousness*. I mention it here not because it is necessarily true. I haven't the foggiest idea whether it is true. No one can ever establish its truth. It is not even a necessary hypothesis. I mention it partly, I suppose, to suggest a possible material cause for the spiritual phenomenon Voegelin describes in metaphysical terms and thereby get Voegelin off the hook in the eyes of modern positivists. And yet, Jaynes's claim that the rulers' were hallucinating is no more and perhaps less plausible than Voegelin's idea that the first rulers just sat there and meditated, and thereby heard the voice of God, just as some people still do now.

One might ask Jaynes why it was at a certain point in time that only certain people heard the voice of the right side of their brains tell them that Heaven existed and that

they should create the first states? Of course the same question must be asked of Voegelin. In both cases, this is preeminently an historian's question: It asks about contingencies—historical accidents—which render the appearance of a particular phenomenon more likely at one time rather than another. (As we will see, however, material phenomena may not be sufficient or even necessary as stimuli even for so drastic a change as the formation of the first states.)

### g. the first civilizations

From whatever source, the first founders of the first proto-states obtained a vision of Heaven. They re-presented that vision onto Earth into the form of the simplest state: a new species of community ruled by somebody connected with that Heaven. That connection might be as literal as the ruler himself being a god, a god who has not yet gone upstairs. Or he might be the descendant of a god. Or, more elaborately, his daddy or his mommy became a god/*shen*/spirit of a special sort, in ancient China a *di* 帝 (as in Chinese *huangdi* 皇帝—emperor) after he died. In the most ancient Chinese documents, a *di* was a dead king. According to one etymology, the pictograph for *di* shows him set up in his regalia, hovering just above his spirit tablet, getting fed—i.e. *xiaod* 孝—by his descendants. (*Xiao* is the word which later took on the more general meaning of “filial piety.”)<sup>3</sup>

That, according to a Voegelinian view, is how the first ruler in a region aboriginally solved the paradox of sovereignty—how he got people to volunteer to be coerced by him. At first perhaps just his own immediate relatives and his fellow villagers and perhaps the residents of a few neighboring villages joined him to form the most local of local states.

Nevertheless he had become a chieftain rather than just a “big man” or senior person (dominant male, in ethological terms) within his group. A “big man” is no more than first amongst equals, but is not a ruler. However, once a “big man” makes the claim to connection with Heaven, he has in some sense mutated. He has founded the ruling class, with himself as the first chief or ruler.

### h. subsequent stages of civilization

At each stage of the development of civilization after this early civilized stage, the prevalent view of Heaven becomes more complex. The language used to describe Heaven becomes less compact and more differentiated. Compact language may still be em-

ployed for ceremonial purposes, but in explicitly political discourse it normally gets explicated. In the current jargon of the “deconstructionists,” it gets “unpacked.” Men begin to analyze the ancient compact statements justifying the rulers the way English professors now analyze literary works. Sacred poetry gets analyzed and translated into differentiated prose. Plato and Confucius were among the most conspicuous of the ancients who started to do just this.

Once the explanations of Heaven become significantly differentiated, they inadvertently created, or at least exemplified creation of the first stage of high civilization. The first philosophers were stimulated into differentiated talk because life eventually became more complex once even a simple state had been re-presented from Heaven. As such early civilized states evolve, they allow, perhaps encourage, Earthly arrangements to become more complex than they had been before.

States or proto-states may have permitted the first sustained specialization to occur, the specialists providing certain unique goods for the rulers. Specialization eventually permitted more things to be produced, and still later encouraged the appearance of markets which permitted the surplus to be distributed. As a consequence, Earthly life became much more complicated. Eventually the old compact language could no longer be re-presented into what that state and its society had become. Men began to doubt the existence of the old Heaven and then the legitimacy of the new Earth, because that Earth no longer was justified by a Heaven all men believed in.

At such a point, some thinkers attempt to re-present the new Earth up to a new vision of Heaven. That inevitably fails, if only because the part cannot contain the whole. Men begin to despair. Their minds turn weird and twisty. In Voegelin's language, men's view of the whole of reality becomes “deformed.” (*Men* don't become deformed; but their *perception* of reality becomes habitually deformed.) They enter into a crisis of that early civilization.

Eventually, stimulated by the crisis, some new thinkers examine Heaven more intently. They meditate, and finally announce that they have discovered that Heaven is bigger and more complicated than their predecessors originally thought it was. They start differentiating their language for talking about Heaven. They point to the old compact language, and say that their differentiated accounts merely tell you what that compact language actually means. Nevertheless, though they elaborate upon it, they retain the old compact language because it is sacred. Some of them start to re-present that new, more differentiated Heaven to create the design of a more differentiated political structure for Earth, moving

<sup>3</sup> To be sure, another equally plausible etymology makes *di* a geometrical ideogram symbolizing centrality.

into the more complex state of affairs that constitutes the first stage of high civilization.

This cycle is repeated. Eventually the first stage of high civilization elaborates itself into an Earth that can no longer be re-presented even from the more elaborate Heaven that made its creation possible in the first place. The state and civilization break down into crisis once more. Yet another attempt is made to discover new aspects of Heaven. After these new aspects of Heaven are discovered (by the Mahayana Buddhists and the Christians at the two ends of Eurasia) a more elaborate Earth is re-presented from the new Heaven as a second stage of high civilization. Presumably the cycle can be repeated indefinitely. So far, however, we have only reached what seems to be the crisis of this second stage of high civilization.

### **i. civilization and alienation**

This sequence of cycles also gives rise to something that Voegelin calls “alienation.” Alienation increases with each repetition of the cycle. This term, as Voegelin uses it, refers metaphorically to the “distance” between man on Earth and the much more differentiated Heaven he is conjuring up or discovering. As civilization evolves there is ever more “distance” between the logical core of that more complex Heaven and the center of the larger and more complex Earth that man re-presents from it.

This alienation is inevitable. It is the price (in the root sense of price as opportunity cost—what one gives up for what one prefers) that man pays for civilization. This, one might argue, is Voegelin's version of Original Sin.

There are all sorts of ways you can talk about Original Sin. St. Augustine traces it to sex, more precisely to lust. That was natural for him as something of a one-time womanizer in a sex-crazed Roman ruling class. If you read Genesis fairly literally, Original Sin could be that or (more likely) be characterized more generally as disobedience to God.

If you take the Gnostic reading of Genesis (which I don't recommend since it leads to a rather debilitating form of heresy), Original Sin is knowledge. To the extent that the Gnostics concede Original Sin to be sinful at all, it is what results when Adam eats the apple, and he quite literally rises up to greater awareness. Since it is woman who gives him the apple, Augustine's sex/lust connection is also there.

Gnosis is the Greek word for knowledge. For a Gnostic, knowledge isn't a sin. Man is destined to be a knower. Otherwise, the Gnostics suggest, he is overbrained, even for a lover. Heresy comes in, Voegelin argues, because the Gnostics do not notice that man on Earth cannot really merge with Heaven,

and hence Gnostic men do not notice how they are deforming their consciousnesses by making the attempt to do so.

Ever since late antiquity, when the first Gnostics appeared and the Gnostic interpretation of Genesis first came in, the Gnostics or people like them have tended to become dominant during crises of civilization, says Voegelin. The Gnostics were very important in late antiquity. They (or, strictly speaking, people resembling them) have become important again as we enter into the crisis of the second stage of high civilization.

The modern Gnostics now say that man knows or can learn everything he needs to know just by looking at Earth. Men don't need to look at or imagine Heaven. They can create the equivalent of Heaven on Earth once they perfect their knowledge. Just give us a little more time to figure things out, they plead.

## **3. Contrast With Karl Marx**

It is from the above characterization of Gnosticism that Voegelin's great criticism of Karl Marx is derived: To Voegelin, Marx is not merely the most notorious of the heirs of the material determinist tradition which had been evolving since at least the 17th century. He was also the most demonic/deformed of the Gnostics, the people with deformed perceptions of reality. Because the evolution of our second stage of high civilization has increased the metaphysical distance between Earth and Heaven, these modern Gnostics have lost sight of (become alienated from) Heaven and come to believe Heaven isn't there; that there is only Earth. The more distorted their perceptions become, the more they drag the rest of us deeper into crisis of civilization. The dominance of Marx and Marxism is for Voegelin one of the prime signs of the deepening of the crisis of civilization since the 18th century.

Of course Marx and company say that men like Voegelin suffer from “false consciousness.” (Voegelin's notion of “deformed consciousness” is partly intended as a sarcastic riposte to the Marxist claim that anti-Marxists suffer from “false consciousness.”) Marxists accuse men like Voegelin of hallucinating when they think there is a Heavenly or transcendental realm, however abstractly defined. Even stated in the somewhat woozy Greek- Hindu-influenced Judeo-Christian manner that Voegelin employs, the Marxists insist this sort of approach is inherently little more than a celebration of superstition.

## **4. Voegelin & the Preachers**

Poor Voegelin gets it from both direc-

tions. The Marxists accuse him of having and (still worse) spreading a false consciousness. Imagine, however, the Pat Robertson types listening to Voegelin talking about the difference between compact and differentiated discourse and growling, “Hey boy. Are you accusing me of being overly literal in my interpretation of Genesis?” And poor Voegelin has to reply, “Oh no, Pat. I'm just saying you are using a compact rather than a differentiated vocabulary when you discuss Genesis. You've got truth there, but you've got compact truth. I just want to differentiate it a bit.” You can imagine Rev. Robertson giving that slightly sickened smile of his and saying, “Smile when you say that, boy!”

The fact is, however, that Voegelin is by no means hostile to Robertson no matter how suspicious the latter may be of him. To appreciate this, notice how different Voegelin is from the Biblical Higher Criticism wallahs of the 19th century, who wound up all but saying that the Bible is false, and who thereby inadvertently conjured up the Fundamentalism which Robertson now uses to oppose them. Voegelin isn't saying that scripture is a lie. To state that it uses compact language is not to deny even the literal truth of scripture. (Remember, the lookout saying he sees “five sail” has literally seen only the sails.) He is merely reserving the right to use differentiated language to explicate the truth embodied in this compact language.

## **5. Using Political Philosophy**

You may now see why it is necessary for me to bring these seemingly “merely” metaphysical issues up, at least in a preliminary fashion. We are going to have to explain the political aspects of the appearance of civilization, and I will at least have to be the good historical reporter and describe to you in chapter 3 how the Confucian myth-cycle, with contributions from Daoism and Buddhism, explains the origins of the Chinese state. That is, you are going to be getting an account of the Confucian Heaven. I want to head you off from being too skeptical of the existence of this Heaven, or at least to be no more skeptical of the traditional Chinese Heaven than you should be of the Marxist Heaven-on-Earth, from belief in which most of those who decry the Confucian Heaven derive their skepticism.

A Voegelinian approach to Confucian Heaven is no more arbitrary than a Marxist one. If anything, it is less arbitrary. It examines its assumptions more openly than have Marx and his disciples. Voegelin also has the advantage over Marxism of being able to take the Confucian Heaven seriously in that Heaven's own terms. If you take Voegelin ser-

iously, to some degree you wind up believing in everything: that *all* descriptions of Heaven are true of one corner or another of it. To say this is, of course, merely to differentiate the compact language of Jesus of Nazareth when He said “My Father’s house has many mansions.”

Chapter three will sketch in the ground plan of the Confucian mansion, with its Daoist and Buddhist annexes. The Confucian mansion itself is like one of those English Elizabethan country houses that has a core put up in Elizabeth I’s time, a wing added in the 18th century, and another wing added under Queen Victoria. A wise guy when asked to describe the resulting architectural style might call it “Queen William.” Such, however, are the kinds of Heavens civilizations build up. From a Voegelinian perspective one tends to believe in all the Heavens men have conjured up. One gives the benefit of the doubt to those who report the sayings and doings of the Confucian Sage Kings, and take them as literally true in some compact language sense. (That may be the biggest bone of contention between the Voegelinians and the Christian preachers.)

Having taken care of Heaven, we can now get down into the cleaner sort of gutter with political scientists like James Buchanan and Gordon Tullock and the rest of the boys from the Public Choice political theory mob. We’ll see how their work can connect with the political philosophy and metaphysical insights of Voegelin more logically than do other schools. Buchanan and Company beg the metaphysical question raised by the paradox of sovereignty. They assume the paradox of sovereignty as solved by the acceptance of a constitutional order which we (if not they) can see is derived from some consensus on the nature of Heaven, take the possibility of the state’s existence as given, and then ask what games rulers and ruled play with each other as they build states.

## B. Public Choice Political Theory

*2b. How does “public choice” political theory both resemble and differ from Eric Voegelin’s political theory and “Austrian School” economic theory? How do the differences set limits to public choice theory’s reach?*

### 1. Buchanan and the Paradox of Sovereignty

Having taken the high road with Eric Voegelin’s metaphysics of politics, we must now turn to, if you will, the low road, James

Buchanan’s Public Choice school of political theory. Buchanan himself does not claim any more exalted role for his work. In a recent summary of the nature of Public Choice theory, he entitles his article, “Politics Without Romance.” That is the lead article in a recent compendium of his school’s work, *The Theory of Public Choice--II* (cf. bibliography at the end of this chapter).

We must first establish the boundaries between Public Choice and metaphysical political theory. Buchanan himself denies that there is any connection between the two. Essentially he puts himself squarely in the school that started with Hobbes in the 17th century, and which he traces forward to Locke and Madison through the end of the 18th century.

The closest he comes to saying anything about ultimate values when he discusses political theory is to observe that there is no reason why people can’t seek out what they call “public goods,” that is things that transcend their individual private values. The problem is, he adds turning Machiavelian/Hobbesian, that each of these public goods is defined by each individual separately. What are the odds, he asks (we can imagine with a cynical smile), that there will be a consensus about these public goods?

If you use what the Austrian School of economics calls the assumption of “methodological individualism” and only look at the discrete value scales of each individual in succession, there is no guarantee that even if I have acquisition of some public good derived from the Judeo-Christian world-view on my value scale, you will have that same good on your value scale and in the same position relative to all other valued goods.

In fact, Buchanan observes, we do not have sufficient access to the relevant portions of people’s heads to examine those separate value scales directly. We must rest content with watching individuals’ behavior. Upon observation, we are more likely than not to discover that your public good differs from mine, and both of ours’ from his.

That means, Buchanan says, in practice we have a variety of possible ultimate values, and this makes them essentially like ordinary private values. My public value and your public value being different means we are both reduced to something potentially like the same grim situation that Hobbes describes in the early chapters of *Leviathan*: We have man without community, and so in the “state of nature,” where life is “solitary, poor, nasty, brutish and short.” (As Emmett Tyrrell’s *American Spectator* has noticed, this sounds like the name of a law firm, which somehow makes the state of nature seem even grimmer.) Absent shared public goods, everyone must be in fear for their lives.

What then do all of us have in common? Perhaps, answers Buchanan (echoing Hobbes), no more than a wish to live, and a fear of dying. Hence people make a social contract in order to save their lives on Earth. If necessary, if conditions become as bad as they were for Hobbes in the middle of the 17th century, they make the best deal they can with whatever nasty Leviathan comes around the corner. Even if Leviathan proposes to tyrannize over them, at least he will preserve their lives.

## 2. Making Constitutions

Is this all that there is to the state? Yes and no. Perhaps people disagree over Heaven more now than they used to do because we are in a crisis of civilization. So Buchanan’s denial of a metaphysical base for his political theory may be one more symptom of that crisis. The atomization of values that Buchanan describes may well have occurred, but even now there may be more of an overlap between my version of the Judeo-Christian tradition and yours than Buchanan concedes. (Cf. the appendix to C.S. Lewis’s *The Abolition of Man*.) He says as much when it comes to the realm of writing constitutions. He divides politics into two realms: the realm of constitution-making and the realm of politics conducted under a constitution once it has been made.

In part, a constitution is Buchanan’s version of the Hobbesian-Lockian social contract. The rule of thumb for a constitution is to require a qualified majority—something more than fifty percent plus one—to agree on the basic ground rules. At the limit there would be a requirement of unanimity. Buchanan even concedes in the key text of his school, *The Calculus of Consent* (1962), that in certain respects and for the sorts of things that Voegelin talks about (though he doesn’t cite Voegelin specifically)—the ultimate values or constitution of Heaven—there really is unanimity.

You can easily imagine, particularly in the early stages of the state’s evolution, how unanimity could have been enforced: The Greeks enforced unanimity on the basic constitutions of their city-states by imposing exile on those whom they could not depend on to participate in the consensus. Go into exile, such men were told. Join the Persians or whatever other Greek city-state will have you. That was one of the chief engines for building consensus in early Greek politics. If you joined the unanimity in building the constitution, you could stay. If not, you had to leave or die (*vid.* the choice given Socrates).

That both makes for unanimity and coincides with what the anthropologists tell us

happens among surviving neolithic peoples on the borderline of state-building. All such peoples living just before or at the very beginnings of the constitution-building stage will expel people who will not accept the consensus.

It seems to me, therefore, that Buchanan doesn't avoid using the Voegelinian constitution of Heaven—the Divine Law. That Law merely gets silently re-presented onto Earth as the backing for a Buchananite constitution. Buchanan begs the question of exactly where that constitution's values come from. Economists have a tendency to do that sort of thing, and Buchanan is as much an economist as he is a political scientist. He operates right at the cusp separating economics from politics.

To sum up, Buchanan's version of constitution theory may, therefore, be reconciled with Voegelinian metaphysical theory. His constitution is what results from the re-presentation of Heaven onto Earth. Since even in his nuts-and-bolts book, *The Calculus of Consent*, Buchanan and his collaborator Tullock do not specify anything about constitutions except that they must rest on something more than a fifty percent plus one majority, and at the limit they should rest upon unanimity, a Voegelinian re-presented Heaven could become the basis for just such a constitution.

Buchanan probably wouldn't like being tied to Voegelin because that would clash with his Hobbesian assumptions. Hobbesians are made nervous by being linked to metaphysics. I don't think Voegelin would be entirely comfortable with this association either. It would tie his metaphysical meditations too uncomfortably close to the details of politics under particular constitutions, and reduce the freedom they grant to the philosopher inherent in their derivation from his meditations on Heaven. We must recognize that we are here trying to reconcile two quite different realms of discourse. I am not fully integrating the two, but am only saying that the Voegelinian realm of Heaven sets the limits for the Buchananite realm of Earth.

### 3. Politics and Economics

If any of you took the introductory economics sequence at WWU during most of the '80s, the textbook you used was Gwartney and Stroup's *Economics: Private and Public Choice*. "Private choice," emphasized in the first half of their book is a cross between Austrian School and right-wing Keynesian economic theory. The second part of their book, the so-called "macro-economics" section, is heavily influenced by James Buchanan and really deals with all the constraints

put on private choice exercised in the market by "public choice" exercised via politics. So Buchananite political theory is wedded to (or at least has been having an extended love affair with) economic theory. When Buchanan won the Nobel Prize in 1986, it was for economics (there not being a Nobel in political science), though that set many left-wing economists' noses out of joint.

Because of its derivation from Austrian School economics, there are both political and economic aspects to James Buchanan's "public choice" political theory. Seeing how the two aspects operate together is very tricky. Buchanan himself says flatly, most recently in his "Politics Without Romance" article, that political exchange may be analogous to economic exchange, but is far more complicated and much more ambiguous in its consequences. Private economic exchange either satisfies each participant or ceases. Public exchange can continue even when some participants in it are rendered desperately unhappy.

#### a. methodological individualism

Nevertheless, some similarities exist between political and economic exchange. Both assume "methodological individualism." Buchanan got that phrase from Ludwig von Mises, the greatest of the 20th century Austrian School economists. Buchanan read Mises' *Human Action* as a young graduate student. All this translated German term means is that only *individual* men act. You never see a dream or an abstract noun acting. It is just as silly to say that the *Zeitgeist* or the "People" did something, as it would be to say "the Table got up and did such and such." *Zeitgeists* don't act. Only individual men act. Even if a mob is chasing you down the street, it is not the collectivity that is chasing you, it is ten-thousand individuals whose individual goals happen to coincide. Your historical problem is to decide why they all simultaneously decided to chase you down the street and string you up by the thumbs when they caught you. Your belief in methodological individualism at least gives you hope of winning some of them over or at least getting them to start fighting among themselves, thereby allowing you to escape with your life.

Methodological individualism holds, Buchanan agrees, in both good economic theory and in his own public choice school political theory.

#### b. cooperation

Some aspects of public choice theory do not directly rest on methodological individualism, and this gives the misleading appearance that collectivities and other abstractions can act. Buchanan and Tullock's *The*

*Calculus of Consent* and Robert Axelrod's *The Evolution of Cooperation* treat politics and economics as aspects of mathematical game theory. That allows outcomes to be predicted not on the basis of individuals' acting, but on the basis of non-linear equations which you can solve empirically by running them on a computer.

Buchanan and Tullock showed that some political coalitions are more likely than others to be either stable or dominant or both. Axelrod played a seemingly political game called "prisoner's dilemma" which may also have implications for economic behavior:

As the game begins, two men have been arrested and are being kept in isolation from each other by the police, who try to subvert each prisoner into snitching on the other. If neither rats on the other, the police will have to release both. If one prisoner "defects" (Axelrod's term for snitching), he will be released, and the other will be convicted on his testimony and imprisoned. If both defect, neither will be released. Each is kept in isolation from the other. Axelrod asks if there is one most profitable strategy for them.

This is a very tough question for either prisoner to answer. Neither knows what the other is doing until it is too late to change his own behavior. The situation becomes less tricky if the two can play repeated rounds of the game, discovering what the other has done in the preceding round, and with "points" won or lost for the several possible outcomes. The most points are won by each if neither defects, fewer points are won by the defector if only one defects, and no points are given to either if both defect. At the end of each round each prisoner/player finds out his score, and can remember what happened when deciding what to do during the next round.

Axelrod asks what strategy turns out to be stable. The answer is not intuitively obvious only if you are a mathematician. A set of non-linear equations can be written for this simple game. Unfortunately such an equation in principle can't be solved. You can only approximate answers by arithmetic procedures repeatedly carried out, as by a computer program that plays the game many times in succession, each sequence of repetitions using different strategies. You can then see which strategy piles up the largest number of points.

Both Axelrod and some of his readers were surprised and then delighted by the strategy that turned out to be most profitable for each individual, and hence tended to become the stable dominant strategy for both individuals: This was the strategy Axelrod called "tit for tat." Don't be the first to defect, but if the other player turned out to have defected in the first game, you defect the next

time. If he didn't defect, continue to not defect yourself. That way each player piles up the most points for himself.

That, Axelrod suggests, is the logical-mathematical basis for cooperation! Tit for tat leads to cooperation by individuals even when they are not sure others will cooperate, and tends to encourage cooperation by those who might otherwise be tempted to defect since their partners reward them when they refrain from defecting, and punish them when they don't.

No wonder, marvels Axelrod, complicated societies composed of strangers can evolve. This is a stable, but only statistically stable outcome. You can't guarantee cooperation in any one interchange, but both members of pairs of stranger tit for tat cooperators will come out better in the long run than pairs who don't. Since all the more complicated societies require cooperation, this insight helps account for their appearance and growth.

This gives at least the illusion that you don't need a Voegelinian Heaven re-presented onto Earth to get complicated societies. My own opinion is that you are most likely to get tit for tat played if one or more of the pairs of players has meditated into contact with Heaven or has subjected himself to the sovereignty of someone who has. That would bias the solution even more in the direction of the evolution of civilized societies where people cooperate even when they are not in direct everyday contact with each other. That is the difference between a civilized society and a small and isolated early Neolithic hamlet or a Paleolithic horde, whose members cooperate because they see each other almost constantly (and must also respond to signals of envy with self-abnegating envy-avoidance behavior).

Still, if Axelrod is right, there is a logical tilt in favor of "positive sum" games, games where all sides can win. The game of economic exchange is the most conspicuous of positive sum games, at least in its pure form. Some key aspects of political exchange may, however, be "zero" or even "negative sum" games despite this tilt toward cooperation. Axelrod's "prisoner's dilemma" game may be too simple to adequately model political behavior.

#### 4. The Rulers

Buchanan, methodological individualist, Hobbesian cynic, new Machiavellian, "wise guy," tends to argue that though Axelrod might explain certain aspects of the rise of the state—the constitutional order and the market economy which may depend on the zone of civil peace created by the state—once

you have a state in place, many aspects of political behavior involve zero sum games.

Only so much political power is available at any moment. If the rulers have certain powers, the ruled don't have those powers. A particular good must be in some particular person's hands. We may translate power into access to the particular goods or money derived from taxes. If the ruled are allowed to keep a particular good, the rulers don't have it. So tax-goods are involved in a zero or even negative sum game. We can never know if loss to the ruled is somehow more intense than gain to the rulers (or vice versa), since value's subjectivity makes it impossible to calculate interpersonal comparisons.

All we can know is that the aim of the rulers is to maximize their own power and hence the amount of wealth that flows into their hands, and minimize the number of supposedly public goods (defense, public works, etc.) they must supply to the ruled in exchange. The aim of the ruled is to minimize the power they give up and hence the amount of wealth they must yield to the rulers, and maximize the number of public goods they gain from the rulers in exchange. What the one gets, the other loses. A zero sum game at best.

This is not true in the realm of private choice in the market. By definition, an economic exchange takes place only when each party to the potential exchange expects to rise higher on his own scale of values. The result of the exchange is that the world seems much better than before to *all* participants in the exchange.

For example, I may value an apple above an orange for the next piece of fruit I desire to eat even though I possess an orange. It so happens that your value scale is the mirror image of that. You prefer to consume an orange next rather than an apple even though you already possess an apple. We come together in some market. Our conversation there reveals the relevant segments of our value scales to each other. We make an *economic* exchange rather than a *political* exchange, exercising a private rather than a public choice. Apple is exchanged for orange. We both rise on our value scales as a consequence. I get an apple that I didn't have before. You get an orange that you didn't have before. We are both happier.

That is not necessarily the case with a public choice good. Political scientists in their airy way talk of "public goods." In fact, however, Buchanan himself, since he was trained as an Austrian School private choice economist, is not even sure there is such a thing as a public good. In his book *The Power to Tax* (1980) he expresses skepticism about the very existence of public goods, but says he observes empirically that the world is

full of people who believe there are such things, and he feels constrained to not fight with them.

Some say that we can define at least *some* public goods. A public good is supposedly a good whose benefits are unallocatable. If someone puts death ray machines in orbit, we all benefit from the defense these provide. There is no way to defend Kaplan without also defending Smith and Jones, even though Jones may not be paying taxes for them and Smith, who does pay taxes, objects to death rays. That is, the benefits are not separable, and yet the costs are all too separable. These are levied on particular individuals, or not. Some may pay them, others may not. Some will pay more than others. Kaplan, for example, may be able to dodge his death-ray tax even though he likes the idea of being defended by them. Smith may not be able to dodge the death-ray tax even though he conscientiously objects to death-rays.

In rebuttal to the claim that such goods are only to be defined as public goods, one might argue that *private* death stars are conceivable. It is only the means of paying for them that may or may not involve taxation. A surrejoinder to this thesis might argue that there are economies of scale or even size thresholds below which goods will not work at all. If Kaplan wants to finance his own death star orbiting the planet, he might only be able to afford to put up a small, inefficient one which is unable to defend him adequately. One big enough to defend Kaplan may have to be big enough to defend everyone. Shouldn't everyone pay? Or at least as many pay as the rulers can catch?

Philosophical anarchists will object even to this. Proponents of a minimal state will acquiesce, at least for a few types of public goods: those that defend the physical integrity or the life, liberty and property of its citizens. A qualified majority less than all the inhabitants of a territory might form a minimal state and then, under their constitution, using a simple majority, tax the minority (as well as themselves) to provide such a defense.

Even democracy need not (and probably won't) avoid such problematic outcomes. Unless the constitution drastically limits what can be voted on, a coalition of fifty percent plus one of the richest and/or meanest of the citizenry can gang up on a coalition of the fifty percent minus one of the poorest and/or nicest people, and despoil the latter in the interests of the former. The more a democratic constitution confounds the totality of the people with Heaven, the more likely is its constitution to permit such perverse activity. Conversely, the more a constitution conceptually separates voting as a means from democracy as an end in itself, the less likely is

it to encourage the exploitation of minorities by majorities.

Protection of minorities can't be made an absolute end of the state either. The attempt to do so may have the unintended side effect of protecting the most dangerous minority—the rulers. Rulers may also take advantage of the fact that they are far less numerous than the ruled. A tax which does not seem like much to an individual taxpayer may produce a tidy sum when divided among a small number of tax-consuming rulers and their non-ruler clients. Even more perverse, a tax high enough to induce illegal tax avoidance through smuggling may stimulate the smugglers to pay substantial bribes to an even smaller number of the rulers or their agents to induce them to tolerate the smuggling. So even a tax not paid may swell the incomes and perhaps the power of the rulers.

Is it impossible to define public goods? Perhaps we can do so after all. Notice that the rulers, at least initially, rarely if ever provide the ruled with a “menu” of supposed public goods. They do not speak of “a” public good (only economists do that!), but rather of “the” public good. That is, the public good is offered to the ruled as an undifferentiated whole. At heart, I would suggest it represents an offer by the rulers to use their links to Heaven to put the ruled right with Heaven, and it is expected by all that this will result in Heaven giving its help to the rulers in warding off threats from outside invaders and internal miscreants.

However, the ruled pay for the single, homogeneous public good with specific numbers of units of various private goods. These tribute goods (as the Chinese called them) would then be redistributed by the ruler to his friends and dependents to maintain their ruling coalition's dominance. These private goods shuffled about by the rulers overlay and muddle our perception of *the* public good.

## 5. The Ruled

If the state goes beyond the minimal level in provision of real and supposed public goods, many more of the ruled will wind up paying for goods that (should they notice what is happening) will appear to be private goods being enjoyed by others and not themselves. Despite contemporary myths celebrating democracy, majority rule cannot guarantee the ruled protection from such exploitation. Since one vote will rarely make a difference in who wins an election, it will normally not pay a particular voter to find out where his interest lies in a particular election. Only if the voter belongs to a compact interest group which can form an alliance with

enough other compact interest groups to constitute a majority may his vote become meaningful. Such coalitions may, however, so inhibit the private choice realm of the market as to keep everyone from doing as well as they might otherwise do. Only an appeal to Heaven can overcome such a state of affairs.

Even without elections, the ruled can play quite a few other sorts of games to protect themselves without necessarily undercutting the private choice realm.

Since the rulers (and those of the ruled who benefit from particular goods provided by the rulers) would prefer that non-beneficiaries pay taxes for these purposes, it is in the interest of non-beneficiaries that kinds of taxes be levied that are easily avoided. Paradoxically, such taxes may on the surface seem to be “unfair.” That is, they do not in practice impinge on everyone equally.

Normally, taxes (whether in kind or in cash) can either be levied evenly on individuals, proportioned to incomes or on market transactions. In principle, income taxes are generally considered to be fairer than transactions taxes, if only because not all of income need be acquired via transactions, and transaction taxes are judged to be fairer than head taxes, since individuals vary widely in the amount of wealth they possess. Some or even all of income may be acquired by way of direct production, as in subsistence agriculture. In principle, all income could potentially be taxed in kind. However, it may not be practical or desirable to tax all categories of transactions.

Since transactions are more likely to involve movable goods, the transactions themselves are more likely to be movable than are income-earning activities, and hence more likely to be movable over the horizon to escape the rulers' notice. Of course some of the fixed locations where income is acquired may be too far away for the state to get a grip upon them, but many/most fixed locations will be close enough to be graspable at least by the local agents of the rulers.

Fairness, however, is in the eye of the beholder. Net, a rational taxpayer may prefer unfair but avoidable transaction taxes to fair but less avoidable income taxes. He may not even have to cheat to avoid a particular transaction tax. He need only give up making that kind of transaction. If booze is especially heavily taxed, he can become a teetotaler or brew his own.

I have already noted that it will normally be rational for taxpayers to remain ignorant of most other aspects of the political game on the grounds that their influence on the outcome (even or under some circumstances especially if the game is played by democratic rules) is minimal. An hour spent on

politics may yield a voter zero dollars of taxes saved whereas that hour spent on his trade will normally yield him a positive sum in additional income.

Of course that hour spent on politics may be part of the chain of rituals that put the taxpayer in touch with one aspect of the Heaven of his culture, and the satisfaction from that aspect of participation may be worth more to him than the potential income he foregoes.

It may even be possible for a weak, single taxpaying member of the ruled class to become part of a stable dominant coalition which adjusts the constitution in ways that limit the revenues of the rulers, and thereby perhaps even changes the balance of the class composition of the ruling groups in ways that limit their ambitions and powers. Under modern conditions, it may be possible to use such a coalition to change the balance between the meritocrats and plutocrats who have largely replaced the Heaven-blessed aristocrats created along with civilization itself.

(Meritocrats and plutocrats only appear as early civilization transforms itself into high civilization. Meritocrats satisfy a “template of merit” adopted by the aristocrats, and hence are trusted by the aristocrats to govern those parts of an extensive state which are over the horizon from the aristocratic component of the ruling class. Plutocrats are successful men of the market who are brought into the ruling class to help aristocrats and meritocrats squeeze tax revenues from the market and manufacture money to use both to buy goods in and control prices in the market.)

A shrewd but unselfish taxpayer might even prefer a plutocrat-dominated ruling coalition to one controlled by meritocrats. All things considered, plutocrats tend to cost taxpayers less than do meritocrats. Their numbers are automatically limited by the size of the market that creates them. Meritocrats, however, tend to multiply until political acts by some rival coalition limit their numbers. Plutocrats tend to favor transaction taxes because they expect to be able to avoid them when convenient, and this allows the ruled to sometimes avoid them too. Meritocrats tend to favor income taxes because such taxes tend to limit the tax-avoiding capabilities of the ruled.

Empirically, as the narrative of the remainder of this course will demonstrate, the data of Chinese political history tend to confirm the above generalizations. The conventional wisdom of non-Public Choice political science either denies or decries such behavior as wicked. Only the Public Choice school explains both why such behavior occurs and why it might be both reasonable and reason-

ably moral for the ruled and their sympathizers within the ruling class to engage in it.

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