

IS THE "RATIONAL ACTOR" A CALHOUNIAN?

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ABSTRACT OF THE DISSERTATION
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Rational or Social Choice Theory is a growing Nobel Prize-winning field which seeks to apply the formal methods of neoclassical or micro-economics to the study of voting. Perhaps the field's most striking finding is that majority voting is "irrational", or highly likely to issue in outcomes that are mathematically arbitrary and dictatorial or imposed, while laissez-faire or approximately unanimous decision (minority veto) are found to be "rational" and "optimal". Diverse observers have noticed the distinct resemblance of such "rational actor" models to the political theory of John C. Calhoun, the American ante-bellum Southern Senator (the "Doctrine of the Concurrent Majority"). Using the usual methods of traditional political theory, my work uncovers a paper trail of citation and discussion of minority veto versus majority rule that goes back from Rational Choice Theory to one Knut Wicksell, the great turn of the 20th century Swedish economist, and from there through John Stuart Mill and Thomas Hare back to Calhoun himself. The results of Rational Choice Theory are revealed to come from inherited ideas rather

than from formal logical or mathematical methods. This result in turn suggests significant consequences for the methodology of economics in general as well as for the resultant public policy proposals, such as the Social Choice-inspired Balanced Budget Amendments, which would restrict majority control over taxation and fiscal policy, and which have been under discussion in America and Europe since the 1980's.

Dedication

For Maggie . . .

Acknowledgments

This study began as one of those especially interminable doctoral dissertations, in part due to the nature of the material, but the basic idea occurred to me almost immediately after my first exposure to rational choice theory in my first days in graduate school. I did not pursue the matter for some years because I was doggedly engaged in other matters, but eventually I found myself honor-bound to pursue it since nobody else appeared likely to do so given the innocence of most Political Scientists and Economists when it comes to traditional political philosophy.

Accordingly, I would like to thank first and foremost my undergraduate education in the old Oxford-Cambridge type decentralized college system at Rutgers University--a system botched many years ago and now long defunct--and at Livingston College in particular, which combined at its best the community and commitment to teaching of a small liberal arts college with the access to the best professors afforded by a large state university. Here the founders, Rutgers University President Mason Gross and Livingston Dean Lynton should be mentioned. I arrived long after they had left, but it is their system under which I came up, and many of us remain grateful. Academic leadership matters.

I'd also like to thank Carey McWilliams and Ben Barber, my undergraduate teachers in Political Theory, and three others

in other fields who made my undergraduate years: Ron Christ in English, George Atwood in Psychology, and a learned visiting professor of History, Christopher Hill. Without necessarily agreeing or disagreeing with the particular positions which each held, from them I learned what real teaching and real scholarship are all about.

I would also like to thank several others for their help with the early stages of this study in particular: Ross Baker, who urged me to follow up on my initial reaction as a third semester graduate student to Rational Choice Theory as some sort of bizarre reincarnation of Calhounism emanating out of the mind of American economists; Ken Finegold for his unusual appreciation for my early work and a rare basic decency; Michael Sandel, for his appreciation of my work and of the chapter on Mill and Hare; and most especially of all, Steven Bronner for his unusual support in spite of so much knee-jerk political disagreement on both our parts. The work and any of its faults, of course, are solely my own.

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Introduction: Why Calhoun? Paper Trail: minority veto from Calhoun to the mathematical theory of the consumer.

"For a long time John Maynard Keynes was known for one famous quotation, the casual remark: 'In the long run we are all dead'. Now that Keynes himself is dead, he is best known for a different quotation:

'... the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back. I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas. Not, indeed, immediately, but after a certain interval; for in the field of economics and political philosophy there are not many who are influenced by new theories after they are twenty-five or thirty years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But soon or late, it is ideas, not vested interests, which are dangerous for good or evil'.

This is really fine writing. And no doubt it is flattering to our egos. But is it really true? Keynes did not specify what academic scribblers he had in mind, and I am not sure how easy it would have been for him to do so. (Thus, when we see a politician favoring protective tariffs or a balanced budget, do we have to look for any profound analysis from some earlier thinker or can we not simply reflect that most people generate such notions unthinkingly? ...).

... In the long run, the economic scholar works for the only coin worth having--our own applause".

Paul Samuelson¹

¹ Paul R. Samuelson, Presidential Address to the American Economic Association, reprinted as "Economists and the History of Ideas", The American Economic Review LII (1 March 1962), pp. 17-8. Samuelson is quoting the concluding statement of Keynes' The General Theory of Employment, Interest, and Money.

Rational or Social Choice Theory is that field of economic theory which seeks to extend microeconomic methods to the study of government decision-making about taxation and expenditure. One of the central concerns of the field has been to provide a scientific or rigorous logical basis for examining how individuals aggregate their preferences into a 'public' or 'social' choice through voting. Probably the most striking claim of the choice school is to have proved with formal logic that majority rule (elections decided by 50% + 1) is "irrational", or highly likely to be arbitrary, unstable and/or oppressive, fraught with contradictory trade-offs heretofore unrecognized by either common sense or common experience, but now demonstrated by the scientific rigor of modern economic analysis. Further, according to the theory, approximate unanimity or supermajority rules, which would require anywhere from 60% to 90% of a voting body to pass legislation, are theoretically "rational", "efficient", "optimal". Many argue in light of the scientific rigor of these findings that majority rule be replaced with a system of minority veto; even those who hesitate at applying economic theory so directly argue that this anti-majoritarian teaching is the correct scientific view of the limitations of elections and things public.²

² See for example Kenneth Arrow, Social Choice and Individual Values, 1951, 1963; James Buchanan, "Social Choice, Democracy, and Free Markets", AER XLI (1954), pp. 114-123; James Buchanan and Gordon Tullock, The Calculus of Consent; Logical Foundations of Constitutional Democracy,

The Public Choice view of democracy has become of more than merely academic interest with the rise of the "Balanced Budget" and "Tax Limitation" Amendments, which would allow a minority in either House of Congress to veto majority control over important aspects of fiscal policy. The 'Balanced Budget' Amendment would allow a minority to veto the budget whenever it goes into deficit, constitutionally limiting the majority's fiscal control over economic cycles, national defense, and the social safety net. The 'Tax Limitation' Amendment would allow a minority in either house of congress to veto tax increases, a provision which would become, with time and inflation, an outright minority veto over all government spending, effectively abolishing majority control of the public purse. Though these amendments have been discussed in publically for nearly 20 years, there has been no discussion at all of the fact that they were designed by public choice economists who are openly opposed to majority control of fiscal policy. These

Michigan 1962, 1974; William A. Riker and Peter C. Ordeshooke, An Introduction to Positive Political Theory, Prentice-Hall 1973. Typical examples of this literature, both of the formal and informal variety include, for example, A.S. Guha, "Neutrality, Monotonicity, and The Right of Veto", Econometrica 40, (5 Sept. 1972): 821-826; Donald J. Brown "Aggregation of Preferences", Quarterly Journal of Economics 89 (Aug. 1975): 456-469; Rajat K. Deb, "k-Monotone Decision Functions and the Veto", Econometrica 49 (4 July 1981), pp. 899-909; Vincent Ostrom, The Political Theory of a Compound Republic, 1971, 1987 University of Nebraska Press; Richard E. Wagner, "Parchment, Guns, and the Maintenance of Constitutional Contract", in Charles K. Rowley, Ed., Democracy and Public Choice, Basil Blackwell 1987, and Mueller, Public Choice II, 1989 Cambridge University Press.

proposed amendments and other public policy recommendations derived from public choice theory will be discussed below. Our main concern, however, will not be on the current political outcomes of Public Choice Theory, but with its philosophical and methodological origins.³

From the perspective of Traditional Political Theory, the claim that a science of individual self-interest proves that majority rule is arbitrary and oppressive, and that minority veto is theoretically preferable to majority rule, is associated with the ideas of the nineteenth-century southern statesman John C. Calhoun. The resemblance between Calhoun's Doctrine and that of contemporary choice theory has not gone entirely unnoticed in the past.⁴ Calhoun's importance in the

³ Since these supermajority provisions do not actually abrogate majority control of legislative floor rules, they may be more a recipe for encouraging hypocrisy and deception on the part of public officials than an actual restriction on majority rule, but the desire of some to limit, harm, or embarrass majority control of the public purse is clearly part of the political agenda.

⁴ See Robert Dahl A Preface to Democratic Theory, Chicago 1956, 1970: 29ff; Anthony Downs, An Economic Theory of Democracy, Harper & Row Publishers 1957: p. 27, Donahue (unpublished doctoral dissertation, 1969): p. 285, and Douglas W. Rae, "The Limits of Consensual Decision", APSR 69 (1975): pp. 1270-1294. Rae raises the resemblance between Calhoun and Wicksell, but his easy withdrawal of the suggestion in order to avoid a quarrel ("Reply to Tullock") makes the venture appear more in the nature of an attempt at inoculation than a searching inquiry into the fact of the matter.

The preliminary idea for this book began when I came across an article by the economist Benjamin Ward, "Journal of Conflict Resolution, 1961, , cited in the endnotes of the article "Majority Rule" by J. Ronald Pennock in the International Encyclopaedia of the Social Sciences). Ward's article finds majority control of tariffs

history of political thought lies in his attempt to restrict majority rule in order to preserve the racial, economic, and political inequality of the antebellum South. This book will argue that the striking resemblance between Calhoun's teachings and that of contemporary public choice theory is no coincidence, and that Calhoun's Doctrine of the Concurrent Majority was integrated into neoclassical economic analysis by a turn-of-the-century Swedish economist named Knut Wicksell, who proposed that approximate unanimity be required for the exercise of fiscal policy.⁵

This work will defend the traditional American view, that Calhoun's theories are repugnant to democratic values, hostile to public purpose, and probably unworkable in practice--or, to the degree that they are workable, are a recipe for oligarchy, not democracy. The Public Choice approach, it will be argued accordingly, grossly exaggerates the difficulty of arriving at reasonable public decisions in a democracy, and is not a new science of choice, but only the latest form of a long discredited political philosophy, now rather brilliantly integrated into the neoclassical economic model and presented

scandalously unscientific and immoral--the very argument of Calhoun's South Carolina Exposition and Protest of 1832. This raised the question for the author of how it came to be that the ideas of an American political philosophy long supposed to be dead and buried came to appear in a modern journal of social science, and to launch a larger inquiry into how economic science understands politics.

⁵ The translation, which we will use, is reprinted in Musgrave and Peacock, Classics in the Study of Public Finance, 1958: 72-118)

as scientific economic analysis and rigor.⁶ This work will argue that the results of Public Sector Economics are to be accounted for less from the methods of technical economics than from the following history of how a particular political philosophy--that of John C. Calhoun--got into technical economic form.

The technical centerpiece of Wicksell's new principle was to apply what economists now call 'Pareto efficiency' (any change must increase the welfare of at least one and be indifferent to all others) to public finance and voting. Following Wicksell, current economic pure theory now teaches that, logically, laissez-faire is or could be characterized by rational choice, consent, and optimal efficiency, while representative government run by majority rule must logically result in arbitrary, imposed, dictatorial, inefficient, and/or sub-optimal outcomes.

But before we can even begin to discuss this theoretical outcome, we must trace out and explain a larger intellectual pre-history unknown to the current literature. All along we will attempt to make the theoretical issues understandable to the educated layman or to the undergraduate student in Political Theory, Political Science, History, or Economics, for the essential issues this intellectual history presents to

⁶ In an unpublished paper in 1969, Alan Gibbard argued of rational models that the conditions look appealing, but the resultant oligarchy looks revolting; see Amartya K. Sen "The Impossibility of a Paretian Liberal", JPE 78 (1970): 152-157.

both political and economic theory are quite basic and are not nearly as complicated as they are often made out to be.⁷

What follows here also violates all kinds of methodological principles--or are they hang-ups?--the historian's all-encompassing historical periodization, the social scientist's categorical rejection of political philosophy in the name of Science, the philosopher's Olympian separation from history, the economist's claim to deductive rigor and timeless universally valid statements. Various academic specialists may of course legitimately and properly take issue with this or that point or emphasis--in such a wide ranging study, every claim cannot be perfect--but any larger complaint about the basic contours of what follows here must be a complaint about the very tradition we trace, shaking a methodological finger at history itself, so to speak, for so history has demonstrably traveled. We here follow a tradition of thought wherever it leads, regardless of academic shibboleths.⁸

⁷ On traditions of discourse see See Sheldon Wolin, Politics and Vision, 1960 Little & Brown, On the origins of Economics in political philosophy, see Wolin, pp. , Joseph Cropsey, "On the Relationship of Political Science and Economics" (APSR 54 (March 1960) 3-14, and Albert O. Hirshman, The Passions and the Interests, 1977 Princeton University Press.

This paper is an explanation of and guide to a currently influential tradition of philosophical discourse. It must be emphasized, of course, that ultimately there can be no substitute for reading the original classic texts.

⁸ These volumes may kick up some small academic dust. Students and junior academics who read the following are here forewarned to look to the political and methodological lay of the land in their fields before admitting what they really think. In spite of what we'd like, freedom of thought

Chapter I. Calhoun's new science of politics, the Doctrine of the Concurrent Majority: the Disquisition.

Finally, Socrates, one of your companions, who was reputed to be a most accomplished speaker, made answer that the peculiar effect of justice, which was effected by no other art, was to produce friendship in States. And he, in turn, when questioned declared that friendship is a good thing and never an evil . . . and real and true friendship, he said, is most exactly described as "unanimity". And when asked about "unanimity", whether he declared it to be "unity of opinion" or "knowledge", he rejected the expression "unity of opinion", for of necessity many cases of "unity of opinion" occurred amongst men that were harmful, whereas he had agreed that friendship was wholly a good thing and an effect of justice; consequently he affirmed that unanimity was the same, and was not opinion, but knowledge.

Plato, Cleitophon⁹

Best known or most notorious as the greatest spokesman for state Nullification of Federal laws, the defense of slavery, and the threat of secession between the revolutionary generation and the Civil War, John Caldwell Calhoun (1781-1850) spent nearly forty years as an important national figure in American politics, Congressional War Hawk during the War of 1812, Secretary of War under Monroe, Vice President under both John Quincy Adams and Andrew Jackson, Secretary of State under Tyler, and Senatorial champion of the States Rights ultras

has to do with political Bills of Rights and legal rights, not academic careers. See especially Benjamin Ward, What's Wrong with Economics? , , pp. .

⁹ Plato, Cleitophon, 1909: 323-325. By 'State' (Gr. polis) is meant of course city or polity, by 'friendship' (Gr. philia) love, fraternity, or community.

until his death a decade before the outbreak of the Civil War. As the author of several important speeches, pamphlets, and books on American government and political theory which advocate approximately unanimous decision rules, Calhoun ranks as a political theorist of note. This study will argue that while Calhoun is only one among many American political thinkers, he has been much underrated. Those political philosophers, social scientists, and historians who belittle the relevance and gravity of past American political thought may find his current influence, perhaps even on themselves, more than a little disconcerting.¹⁰

¹⁰ On the tendency to neglect American political thought, compare, for example, George Sabine's A History of Political Theory, whose examination of American political thinkers is limited to four passing references to Jefferson), with Carey Wilson McWilliams' magisterial The Idea of Fraternity in America.

I.

Calhoun's methodology in his primary theoretical work on politics, A Disquisition on Government [1851], is an illustrative mix of political philosophy and early social science. This makes Calhoun valuable to read, if for no other reason, because he is distant enough from us in time to demonstrate more clearly how philosophical dispositions can enter work in the social sciences and clothe themselves in the garbs of scientific realism.¹¹ The reader may also recognize Calhoun as an interest group pluralist.¹²

Calhoun stated at the outset of the Disquisition that he wanted a science of government as certain as that of the natural sciences, such as astronomy, one able to build systematic, clear, and logical theory upon incontestable

¹¹ The idea of social science goes back to the early nineteenth century and Calhoun's is only one example of antebellum southern social science; see for example Ross, op sit, pp. 30-33, Louis Hartz, The Liberal Tradition in America, Harcourt Brace 1955, pp. , and Ralph Lerner, "Calhoun's New Science of Politics", PSQ 57 (Dec. 1963): 918-932. See also (August O. Spain The Political Theory of John C. Calhoun 1968 Octagon Books (originally published 1936): Calhoun "attributed to philosophic generalizations the validity of scientific laws". (Pp. 264-265).

¹² Peter F. Drucker, "A Key to American Politics: Calhoun's Pluralism", The Journal of Politics, 10 (1969): 412-426; Darryl Baskin, "The Pluralist Vision of John C. Calhoun", Polity 2 (Fall 1969): 49-65; Phillip Longman, "From Calhoun to Sister Boom-Boom: The Dubious Legacy of Interest-Group Politics", The Washington Monthly 15 (June 1983): 11-22.

facts.¹³ He also repeatedly refers to man's nature and several times to the intent of the Creator, but both are induced entirely from his 'realistic' characterization of man.¹⁴ Calhoun argued that man is a social animal since he is always found in society and because his needs and development are always tied up in association with others. Calhoun began however with the selfish individual "essentially connected with the great law of self-preservation which pervades all that feels, from man down to the lowest and most insignificant reptile or insect".¹⁵ Calhoun portrayed his individualism as scientific and stated that he was not concerned with moral evaluations but with what is, and that he purposefully avoided the term 'selfish feelings' because this implied something 'depraved and vicious': "My object is to exclude such inference and to restrict the inquiry exclusively to the

¹³ Disquisition, reprinted in Union and Liberty, The Political Philosophy of John C. Calhoun, Ross Lence, ed., 1995 Liberty Classics, pp. ? (Calhoun 1969: 5-6)

¹⁴ Disquisition, pp. 8-10, 31, 44, 66. Reared as a Presbyterian, in practice Calhoun generally followed his wife's Episcopalianism, but in the occasional reference to the Creator in the Disquisition his 'method' is Deistic: references to scripture and traditional theology are scrupulously avoided and the Creator's will is deduced from characterizations of the Creation or, put in more scientific terms, of what is.

¹⁵ Disquisition, pp. 6-7. Calhoun's political science is very modern in its emphasis on the need for certainty, and builds on low, self-interested, 'animalistic' motives in a remarkable anticipation of Social Darwinism. In this and his Deistic references to the Creator Calhoun straddles the Enlightenment and Nineteenth century social science.

facts". . .¹⁶

Calhoun premised his science of government on the general rule that men are controlled more by what affects them personally than by social concerns:

. . . that constitution of our nature which makes us feel more intensely what affects us indirectly through others, necessarily leads to conflict between individuals. Each, in consequence, has a greater regard for his safety or happiness, than for the safety or happiness of others; and, where these come in opposition, is ready to sacrifice the interests of other[s] to his own.¹⁷

This passage is cited as the 'self-interest axiom' by rational choice theorist Anthony Downs, who comments "Throughout our model, we assume that every agent acts in accordance with this view of human nature".¹⁸ Downs however fails to deal any further with the Disquisition itself, and takes the quotation from an excerpt in a secondary source.¹⁹

¹⁶ Disquisition, p. 6. Calhoun has often been interpreted by historians as an organic theorist of the group or section, but his theory as he presented it, and as Downs recognizes, is radically individualist. Calhoun begins with what today would be called 'methodological individualism', the claim that all acts are to be reduced to individuals. One question raised in all this is whether methodological individualism is a fact or a value, an is or an ought. To answer 'both' of course would be to collapse the distinction between facts and values.

¹⁷ Disquisition, p. 7.

¹⁸ Anthony Downs, An Economic Theory of Democracy 1957, p. 27. Actually Downs fails in the end to adopt this view of human nature, evading the attack on majority rule and focuses attention on whether the self-interest hypothesis explains actual political behavior in a two-party system. See also Downs 1959.

¹⁹ Downs cites Katz, Cartwright, Elderveld, & Lee, Public Opinion and Propaganda New York, the Dryden Press, 1954, p. 15. We should notice however that Downs' work is

Calhoun admitted that altruistic 'social feelings' existed, but thought that the selfish feelings are the most reliable rule, or rather, are more like a scientific law of nature, rooted in the instinct of self-preservation that motivates all feeling things.²⁰ He explained that past societies were able to do without selfish rationality because in the past 'intelligence was so partially diffused' and that past government was supported by superstition, custom, ceremonies, and organic arrangements. Calhoun emphasized that these supports are no longer possible with the diffusion of Enlightenment, and that modern regimes must depend on power to counteract power.²¹ This conjectural account of human history and the progress of selfishness is also made by formal choice founder Kenneth Arrow, who explains that premodern societies were characterized by convention, traditional rules, and laws based on religious or sacred codes, and that individualistic selfish rationality only becomes the standard with the emergence of modern societies.²²

based on a 'reasonable evasion' of major claims of rational choice theory, so he actually falls outside the minority veto camp which we are tracing; his work will be discussed further in chapter , pp.

²⁰ Disquisition, p. 11.

²¹ Disquisition, pp. 11-13.

²² Kenneth Arrow, Social Choice and Individual Values, Cowles Foundation 1963, Note 1, p. 1. This sort of claim, common in earlier economists (see for example Alfred Marshall, Principles of Economics), should not be dismissed easily since it seeks to answer or at least address a problem common to all of modern political

Again, Calhoun did not think that self-interest was the only important human motivation, only the most reliable one. He thought that propriety and common decency are important, but saw these as aspects of individual behavior, not incompatible with the selfish feelings. But any social concern beyond the common proprieties would be irrational on basic psychological grounds. Calhoun argued that if by chance men were somehow to have greater social feelings than selfish feelings, mankind would be even worse off, for then arbitrary emotion would rule over individual reason, and anarchy would ensue:

. . .if their feelings and affections were stronger for others than for themselves or even as strong, the necessary result would be that all individuality would be lost and boundless, and remediless disorder and confusion would ensue. For each, at some moment intensely participating in all the conflicting emotions of those around him immediately, in his offices intermeddling with the affairs of all others, which, from his limited reason and faculties, he could neither properly understand nor manage.²³

For Calhoun government cannot be based on social feelings or passions because then it would be disordered and inconsistent, or what would now be called irrational. Calhoun defends the rule of interest over ideas about the public good because

philosophy: why did it take until 1651 or 1689 or 1776 or 1871 or 1890 or 1951, etc., for men to finally understand their true nature--true selfish nature--and the nature of rights, interests, etc.? If modern political philosophy has arrived at the definitive understanding of man's nature, or the human condition, or the nature of justice, interest, right, or rights, etc., why did it take so long to get recognized?

²³ Calhoun 1992: 8.

interests are grounded in what is, while ideas of the public good are mere arbitrary and conflicting ideas of what ought to be, and so are scientifically unreliable; further, information costs. . . .²⁴

With men so individuated, so stripped of sympathy or of any possibility of arriving at a just consensus about justice, Calhoun postulated the tendency toward universal conflict between individual and individual, which, inflamed by the (now only selfish) passions or emotions, would be disruptive of the social state. For Calhoun, government is the control or limitation of this conflict. Society is primary, to preserve and perfect mankind through economic development; government is secondary, to preserve society and its economic development.²⁵ But government, built to constrain conflict between individuals, was itself made up only of individuals and hence suffered from the same ills of selfish men.²⁶

The question that then arose for Calhoun is how does one cure government of the very ailments that made it necessary in the first place? Calhoun argued that elections are the basis for all limitation of government: "the right of suffrage, is the indispensable and primary principle in the foundation of

²⁴ For a similar defense of ideas of interest over ideas of the public good, see the cite of Sir James Steuart in Albert O. Hirschman, The Passions and the Interests, pp.49-50.

²⁵ Disquisition, p. 8; see also, for example, Gordon Tullock Private Wants, Public Means.

²⁶ Disquisition, p. 9

constitutional government".²⁷ Yet elections, while necessary to constitutional government, are not sufficient because they imply majority rule. Since for Calhoun there can be no consistent social view separate from selfish individual views, a majority "would have the same tendencies to oppression and abuse of power, which, without the right of suffrage, irresponsible rulers would have".²⁸ Calhoun argued that to avoid imposition, all interests liable to be affected by an action of government should have a hand in and a veto over the making and execution of the laws relevant to their interests. For Calhoun the negative power and its extent was a theoretical truth that must be qualified by circumstance

Without this there can be no systematic, peaceful, or effective resistance to the natural tendency of each to come into conflict with all the others: and without this there can be no constitution. It is this negative power--the power of preventing or arresting an action of government--be it called what it may--veto, interposition, nullification, check or balance of power--which, in fact, forms the constitution.²⁹

If majority rule was not limited by minority veto, Calhoun warned, government would become as oppressive and arbitrary as any in the past, and might lead to a disruption of progress, threatening to cast society back into an earlier stage.³⁰ Calhoun argued that different forms of government were

²⁷ Disquisition, p. 13

²⁸ Disquisition, pp. 19-20; also 21-22, 24, 28-29.

²⁹ Disquisition, p. 28.

³⁰ Disquisition, pp. 46-47.

appropriate to different stages of human progress, which moves from traditional societies based on religion, monarchy, and aristocracy to an intermediate stage of majority rule, and from thence, if progress continues, to unanimous decision rules. Constitutional government, in this view, typically begins with majority rule, and then must progress beyond it to the concurrent majority.³¹ If majorities are not restrained, then, under modern conditions, government would become even more oppressive than any in the past--becoming the worst of all governments.

For Calhoun, constitutional government per se is the concurrent majority or minority veto.³² Similarly, Arrow's conditions are constitutional rules, and the formal result of Arrow's Theorem is that only unanimity rules are non-arbitrary and therefore truly constitutional.³³

Minority veto, Calhoun argued, is not an attribute of ruling, only the right to resist and to protect one's interest. This is also the position of the public choice school, for which unanimity is the ideal criterion of "choice", and for whom minority veto is not a principle of rule but only the power to prevent:

We must sharply differentiate between two kinds of decisions: (1) the positive decision that authorizes

³¹ Disquisition, pp. 13-15, 36.

³² Disquisition, pp. 21-22, 24-32.

³³ Kenneth Arrow, Social Choice and Individual Values, 2nd Ed., 1963, pp. 105-108).

action for the social group, and (2) the negative decision that effectively blocks action proposed by another group. If a group is empowered to make decisions resulting in positive action by/for the whole group, we shall say that this group effectively 'rules' for the decisions in question. It does not seem meaningful to say that the power to block action constitutes effective 'rule'. . . . The power of blocking action is not what we normally mean, or should mean, when we speak of 'majority rule' or 'minority rule'. The asymmetry between action and inaction is closely related to their support of unanimity as the ideal criterion of choice; under such a rule, the status quo is a highly privileged alternative.³⁴

Calhoun thought that the irrationality of majority rule is particularly likely to manifest itself in questions of taxation and expenditure. Since a majority must be as self-interested as the individuals who make it up, the majority or its ruling minority element must inevitably plunder the rest of the community. As he once explained to the Senate on the need to restrict majority control of fiscal policy:

The foundation of our system is equality--equal burdens and equal benefits to all;--but it ought to be known--it is a truth with which all ought to be deeply impressed, that the fiscal action of the Government can by no ingenuity or contrivance, be made equal, and that its unequal action of itself without any other cause, must, in the end, destroy liberty, if not checked and moderated.³⁵

The basis for Calhoun's theory of taxation and expenditure is the benefit principle of taxation, the principle that each

³⁴ Buchanan and Tullock, Calculus of Consent, 1962, pp. 258-259, cited in Arrow Social Choice 1963, pp. 119-120). One difference in emphasis is that Buchanan emphasizes the tendency of self-interested voters to oppress; Arrow, that voting produces outcomes that must be oppressive, arbitrary, and/or inconsistent.

³⁵ Calhoun Works 1851, III: 641-43.

individual should receive from government just what he pays in taxes. The 'checks' Calhoun speaks of involve the institution of minority veto; only unanimity rules can make the actions of government "equal".³⁶ The same claim about majority rule forms the basis of taxation theory in the current public choice literature.³⁷

Calhoun extended his attack on majority rule to an attack on the U.S. Constitution and its underlying principles. He argued that checks and balances must fail to limit government because majorities could occupy all branches of government, including the judicial system. Under the Constitution Justices are of course appointed by the President (elected by majority rule) with the advice and consent of a majority in the Senate (again, elected by majority rule). The Court decides cases by majority rule. But both constitutional provisions and laws require interpretation in particular cases. For Calhoun the Supreme Court and its interpretation of the Constitution are ultimately under the control of majorities, and so in the long run must share all the problems and irrationalities of majority rule as the other branches of government. Neither enumerated rights nor strict construction could limit majority rule over time. The majority would merely construe the Constitution in whatever fashion it preferred, and would

³⁶ Disquisition, pp. 15-19.

³⁷ See, for example, Mueller 1991: 58ff and Wagner 19

gradually have its way.³⁸

Calhoun's concurrent majority entails not only a widespread veto over passing legislation, but also over interpreting and enforcing legislation: in a concurrent majoritarian system with a majority threshold of 75%, a minority of 26% could interpose any action of the Federal Government, including actions of the courts. When Calhoun argued that minority veto is the constitution, he meant it.

Judicial review often overrules majorities; under Calhoun's Doctrine a minority could overrule any action of the courts, in effect destroying the power of judicial review--including the enforcement of the Bill of Rights. In Calhoun's view no precedent could be established or followed against the wishes of a vetoing minority: "Ours is not a Government of precedents, nor can they be admitted . . . in the interpretation of the constitution" . . . (Calhoun 1851:), Legalistic in the extreme, Calhoun's Doctrine is still a recipe for lawlessness; the Concurrent majority is not only an attack on the common good, but on the rule of law.

The Supreme Court is often characterized by rights theorists as anti-democratic, but from Calhoun's perspective the Court is purely a majoritarian institution, dependent on public opinion and election returns. He saw the Bill of Rights as simply another area of opportunity to expand the arbitrary and oppressive powers of governing majorities.

³⁸ Disquisition, pp. 26-27.

Calhoun is also important as a theorist of political parties. He extended his political theory into a critique of the new system of party politics that arose from the victory of Andrew Jackson.³⁹ To Calhoun a political party is only a faction of men intent on capturing control of the government.⁴⁰ He argued that party competition wouldn't limit government, however, but only worsen the tendencies of majority rule.

Electoral competition for control of the government and its emoluments and honors would lead to party organization and discipline. Majority rule within the party would lead to the de facto minority rule of all. Majority rule over minorities and the continuous need for party discipline would lead to party oligarchy, tending towards absolutist monarchy (the 'monarch' Calhoun had in mind here would be, of course, Andrew Jackson). For Calhoun the only alternative to party oligarchy would be an unstable struggle between the selfish factions that happen to take control in a particular round of voting:

The government would vibrate between the two factions (for such will parties have become) at each successive election. Neither would be able to retain power beyond some fixed term: for those seeking office and patronage would become too numerous to be rewarded by the offices and patronage of the government; and these being the sole objects of pursuit, the disappointed would, at the next succeeding election, throw their weight into the opposite scale, in the hope of better success at the next turn of the wheel. These vibrations would continue until

³⁹ Drucker 1948, pp. 417-418.

⁴⁰ (Calhoun 1992: 34-45, 37, 61) Calhoun preceded Michels 1911 (1966) by over 70 years.

confusion, disorder, and anarchy, would lead to an appeal to force--to be followed by a revolution in the form of government.⁴¹

What Calhoun describes as the 'turn of the wheel', rational choice theorists call 'cycling', in which the outcome of majority rule is supposed to wander all over the set of alternatives.⁴² Throughout his political career, Calhoun repeatedly characterized majority rule as anarchical, imposed, and dictatorial. Calhoun's version here includes the impossibility of the patronage system of early nineteenth century to reward all supporters.

Calhoun also associated the 'irrational' characteristics of majority rule with the 'irrational' growth of government. In Calhoun's version, the need to reward party activists would swell the size of government, but there still wouldn't be enough patronage to go around, so unrewarded activists would support another faction in the next election, and control of the government would pass from faction to faction. With each passing election the government would expand arbitrarily according to the dictates of whatever faction happened to have gained control in the last cycle of voting. Government under

⁴¹ Disquisition, p. 33.

⁴² See Arrow, Social Choice: 94-95; and, for example, McKelvey 1976. The point to be understood here is that cycling was part of Calhoun's Doctrine from the beginning.

The literature on 'cycling' is immense, but is purely formal, and has no empirical basis (see Dahl 1957 and Shapiro 1995). How the Paretian (or rather, Wicksellian) theory of "Cycling" relates to the very different tradition of the paradox of voting (so-called) will be discussed in the following paper.

control of majorities would grow and grow erratically.⁴³

With today's weak parties, political apathy, and low rates of participation, we forget how powerfully a strong party system can mobilize and excite an electorate. Calhoun feared the 'irrational' passions stirred up by party attachments. Party competition would strengthen the social feelings to an irrational point, and divide the community into warring camps:

Party attachments, in the progress of this strife, should become so strong among the members of each respectively as to absorb almost every feeling of our nature. . . destroying all national feeling and dividing the nation into hostile parts waging war under the forms of law.⁴⁴

But while the political coalitions of the Jacksonian period were often ad hoc, as political coalitions often are, this did not prevent either participants at the time nor historians later (nor really, for that matter, Calhoun himself) from seeing conflicts of underlying or fundamental principles at work.⁴⁵ Calhoun, in any case, predicted that such an unstable system would increasingly gyrate out of control and then self-

⁴³ For some public choice versions, see Tullock 1959, Niskanen 1970, Freeman 1975, Fiorina 1978)

On democracy's purported inability to handle Keynesian macroeconomic fiscal policy, see Buchanan and Wagner 1978, "Senate Judiciary Committee Report on the Balanced Budget Amendment" 1981, Barry 1984.

⁴⁴ Disquisition, p. 37.

⁴⁵ On the underlying issues of the Jacksonian Democracy of Calhoun's day, see for example, Arthur Schlesinger The Age of Jackson, Marvin Meyers, The Jacksonian Persuasion.

destruct.⁴⁶ Rule by the concurrent majority, in contrast, would unite the country:

By giving to each interest, or portion, the power of self-protection, all strife and struggle between them for ascendancy, is prevented; and, thereby, not only every feeling calculated to weaken the attachment to the whole is suppressed, but the individual and the social feelings are made to unite in one common devotion to country. Each sees and feels that it can best promote its own prosperity by conciliating the goodwill, and promoting the prosperity of the others.⁴⁷

Liberty leaves each free to pursue the course he may deem best to promote his interest and happiness, as far as it may be compatible with the primary end for which government is ordained--while security gives assurance to each, that he will not be deprived of the fruits of his exertions to better his condition.⁴⁸

The veto power encourages national unity on broad consensual issues while dispersing power. The social feelings, when unanimous, would then be united with the selfish feelings. The struggles and irrational outcomes of electoral majorities and party competition would be replaced, in short, by interest group consensus, freedom, economic competition and growth.⁴⁹

⁴⁶ Disquisition, pp. 32-33, 36-39.

⁴⁷ Disquisition, pp. 37-38. Despite his talk about interest and conflict, it should be noted that Calhoun retained a profound respect for patriotic devotion to country.

⁴⁸ Disquisition, p. 40.

⁴⁹ Disquisition, pp. 14-15, 31, 36-40, 45-46, 50-52.

Chapter 2. James Madison: Calhounism as a Strange Heresy.

The Disquisition was Calhoun's final and highest statement of the principles of the Doctrine of the Concurrent Majority; but in 1828 Calhoun had penned an earlier and version that was politically more important because it summarized the south Carolina Nullification movement. It was also the final statement of the South Carolina Nullification movement, which argued for state veto of federal laws by either state legislature or state convention; and the momentous question of where sovereignty lay in American government, whether the Federal government is sovereign or whether it is shared with the states. The question would not be fully resolved until the U.S. Civil War.

The relation of the Doctrine of the Concurrent Majority to American political life, then, was a prominent political question in Calhoun's day. The Economic literature on Rational Choice, however, demonstrates almost no knowledge at all about the relation of the doctrine to American political history. Rational choice theorists like to associate Rational Choice with the American Founding Fathers, to quote or refer to the Framers of the U.S. Constitution in ways that appear to support the principle of minority veto, to conflate the supermajorities the Framers required to pass Constitutional Amendments with the Doctrine of the Concurrent Majority, to suggest that the doctrines of the Framers and of rational

choice theory are essentially the same, or even suggest that the Framers would have written minority veto into the U.S. Constitution had they only known of the future growth of government or the future scientific discoveries of economic analysis.⁵⁰

According to Samuelson's Economics:

The possibility of tyranny by the majority has haunted political thinkers for three centuries. Because deep thinkers like James Madison and Alexander Hamilton feared such coercive political activity, they proposed the use of supermajorities [ital] in many important issues.⁵¹

According to Ostrom:

Madison thought that concurrent majorities among bodies with differing interests would produce a resultant

⁵⁰ See Buchanan and Tullock, The Calculus of Consent 1962, op sit; Riker and Ordeshook 1973, op sit; and again, William H. Riker, Liberalism Against Populism, A Confrontation Between the Theory of Democracy and the Theory of Social Choice 1982 W.H. Freeman & Co., pp. 8-9, 252-3. Dennis C. Mueller, Public Choice II, op sit, pp. 307, 459.

In Liberalism Against Populism we find the following assertion: "Madison said nothing about the quality of popular decision, whether good or bad". In his study of Madison, Professor Riker apparently never came across the word 'faction'. It is only when qualitative differences have been banned from discussion by focusing on a non discussible interest . Public choice theory tends to lead its practitioners into a chronic misunderstanding of Framers' intent as merely checks on action: . . . "the various functions that the Federalist expects from appropriate constitutional offices and forms--deliberation from the House of Representatives, experience from the Senate, duration from the executive, stability from the judiciary, and refinement of popular will through elections--do not appear in public choice models. . . . public choice understands the constitutional offices only as negative checks on a majority . . .". Harvey C. Mansfield, Jr., "Social Science and the Constitution", in Alan Bloom, Ed., Confronting the Constitution, 1990 AEI Press, p. 435.

⁵¹ Paul A. Samuelson and William D. Nordhaus, Economics, 1985 McGraw-Hill, p. 707.

outcome that promoted the general welfare.⁵²

According to leading social choice economist James Buchanan's biographer David Reisman,

The teachings of Jefferson, Hamilton, Madison, Jay--and of George Mason . . . had a considerable influence on the development of [James] Buchanan . . .⁵³

Perhaps not so surprisingly Calhoun and the Nullifiers also argued that minority veto is the true fulfillment of the ideas of the Framers and that Madison and Jefferson would have agreed had they only known the future course of the nation.⁵⁴

But when Calhoun appealed to the authority of the Framers

⁵² Ostrom, *The Political Theory of a Compound Republic*. Ostrom does not indicate just where Madison wrote this, but the one passage in Madison's letters that even remotely resembles this assertion is the following: "The concurrent operation, in certain cases, is one of the features marking the peculiarity of the system." [Letter to Edward Everett, Aug. 1830, p. 96 Works, Bk IV]). The use of the word 'concurrent' in this sentence, however, refers to the simultaneous and occasionally overlapping operation of majoritarian bodies within separation of powers (executive, legislative, and judicial) and division of powers (between State and Federal bodies)--not the concurrent majority. The letter, in fact, is Madison's most public letter against Nullification, and clearly delineated the difference between the theory of the U.S. Constitution and that of the Concurrent Majority. Madison especially emphasizes that unlike a system of minority veto, the Federalist system provides means for a peaceable and authoritative termination of the boundary problems between different governmental bodies. Madison argues that the end of government is the substitution of law and order for uncertainty, confusion, and violence. Ibid., pp. 97. See generally, p. 95-97. See also Richard Wagner, p. 119.

⁵³ David Reisman, *The Political Economy of James Buchanan*, 1990 Texas A&M University Press, p. 4 and loc cit.

⁵⁴ Calhoun, *A Discourse on the Constitution of the United States*, in *Union and Liberty*, pp. 128-129, 138-233, 241, 247-255.

to support minority veto by the States in the earliest public statement of his Doctrine in 1828, "The South Carolina Exposition and Protest",⁵⁵ he ran afoul of the last living Founder, James Madison. Madison denied that the Doctrine of the Concurrent Majority was the doctrine of the Founding and stridently defended majority rule. As Madison was also the chief author of the Virginia plan, a major force at the Constitutional Convention of 1787, co-author of the Federalist Papers, and the author of the Bill of Rights, his views on the relation between the principles of Calhounism and those of the U.S. Constitution may be presumed to be carry some weight.

Madison, who had complained of ill health throughout his life, was amazed at his own extraordinary longevity, living from 1751 to 1836.⁵⁶ The leading spirit at the Constitutional Convention of 1787, Madison would live to watch it operate for the next half century. His life straddles the period from 18th

⁵⁵ Reprinted in Union and Liberty, pp. 331-365.

⁵⁶ The generational context of the debate between Calhoun (1781-1850) and Madison can be gauged by the lives of the leading lights amongst the founders: Benjamin Franklin (1706-1790), George Washington (1732-1799); Alexander Hamilton (1755-1804); Thomas Paine (1737-1809); John Adams (1755-1826); Thomas Jefferson (1743-1826); James Monroe (1758-1831). I except here John Marshall (1755-1835), who might be qualified as a founder due to his service under Washington in the Continental Army (1775-1779), his involvement in post-colonial politics--especially his efforts in favor of ratification of the Constitution in the Va. legislature--and most especially of all his founding role as Chief Justice of the Supreme Court (1801-1835). His views on Nullification will be reviewed below.

century Enlightenment to 19th century Victorianism,⁵⁷ from the American Revolution to the age of Jackson and the earliest rumblings of Civil War. In Madison's reaction to Nullification we have the unusual spectacle of a significant political thinker pointedly refuting a political philosophy developed in the next era, so we are not entirely dependent on our own reading of texts.⁵⁸ In Madison's survival, Calhoun and the Nullifiers had an extraordinary piece of bad luck: pointedly rejecting and refuting Nullification doctrine was the predominant and overriding issue of Madison's letters for the last 10 years of his life, and most of the nation would follow Madison's counsels rather than Calhoun's.

Madison's refutation of Nullification was made most openly in his letter to Edward Everette, published in the North American Review (Madison 1830: 537-546). There Madison sharply criticized Calhoun's call for minority veto by the states, which, he argued,

. . . would unavoidably produce collisions incompatible with the peace of society, and with that regular and

⁵⁷ In 1834, the young Princess Victoria asked for an autographic specimen from Madison for her collection; he graciously acceded to the request and wished her well in 'the high station to which she is destined'. See Madison, letter to Aaron Vail, Feb. 3, 1834, Works, pp. 568-569.

⁵⁸ It should also be emphasized that Madison and Calhoun knew each other very well; Clay and Calhoun were leaders of the House under Madison's administration and had helped push the indecisive Madison into the War of 1812. Calhoun was appointed secretary of war by Madison's hand-picked successor, James Monroe, and enjoyed an occasional correspondence with Madison. The two were also for some time neighbors in Washington, living about a block apart.

efficient administration, which is the essence of free governments.

. . . would be attended with delays, with inconveniences, and with expenses, amounting to a prohibition of the expedient; not to mention its tendency to impair the salutary veneration for a system requiring such frequent interpositions . . . (Madison 1828: 539).

. . . to establish a positive and permanent rule giving such a power, to such a minority, over such a majority, would overturn the first principles of free government, and in practice necessarily overturn the Government itself.⁵⁹

For Madison, then, majority rule is the first principle of free government and that minority veto would hand control over to minorities, making government irregular and arbitrary, destroying all respect for the political system. He doubted whether such a government could long survive.

Madison's argument is consistent with that of Alexander Hamilton in Federalist #22, which argues against the veto power of states under the Articles of Confederation, and which may be taken as a definitive rejection of the principle of minority veto:

⁵⁹ (Madison 1830: 543. Contrast Arrow 1963, Buchanan 1954, cited above). End note--some argue of course that discussion of Political Philosophy is a purely academic matter, and that practical political actors simply use ideas to justify some underlying (and so historically relative) interest of the day. This position of course why the New Jersey delegation was chided at the Constitutional Convention for putting commercial purposes above Constitutional principle("New Jersey would sell out its mother . . .") John P. Roche, "The Founding Fathers: A reform Caucus in Action" (APSR vol. 55, Issue 4, (Dec. 1961), 799-816) takes New Jersey's side, and claims that Calhoun's Disquisition was merely a rationalization of the Virginia and Kentucky Resolutions. But if this is so, one very practical politician believed he was doing more than rationalization, and would spend much of his limited time at the end of his life writing up his philosophy.

Its operation contradicts that fundamental maxim of republican government, which requires that the sense of the majority should prevail.⁶⁰

. . . what at first sight may seem a remedy, is really a poison. To give a minority a veto over the majority (which is always the case when a majority is requisite to a decision) is, in its tendency, to subject the sense of the greater number to that of a lesser number.

. . . two thirds of the people of America could not long be persuaded upon the credit of artificial distinctions and syllogistic subtleties to submit their interests to the management and disposal of one third.⁶¹

To acquiesce in such a privation of their due importance in the political scale would not merely to be insensible to the love of power, but even to the sacrifice of the desire of equality. It is neither rational to expect the first, nor just to require the last.⁶²

The necessity of unanimity in public bodies, or of something approaching towards it, has been founded upon a supposition that it would contribute to security. But its real operation is to embarrass the administration, to destroy the energy of government, and to substitute the pleasure, caprice, or artifices of an insignificant, turbulent, or corrupt junto to the regular deliberations and decisions of a respectable majority.⁶³

In this argument about the pleasure, caprice, and artifice of insignificant, turbulent corrupt juntos versus the regular deliberations and decisions of a respectable majority, Hamilton is contrasting the difficulties and responsibilities of forming a governing majority versus mere obstruction.

⁶⁰ Federalist Papers, Hamilton, Madison and Jay 1961 [1789]; p. 146.

⁶¹ Ibid, p. 147.

⁶² Ibid, pp. 146-147.

⁶³ Ibid, pp. 147-148. See also p. 453.

Madison in any case did not go beyond this letter refused to be drawn into direct political brawling with the Nullifiers beyond this letter,⁶⁴ but he supplemented his critique with several unpublished essays (chiefly "On Sovereignty", "On majority governments", and "On Nullification"), and made many other observations on the subject to friends and important political figures, all of which he intended to save for posterity in his projected Collected Works, to be published posthumously. His works conclude with a short plea to save the Union.

Madison himself had been drawn into the debate by the Nullifiers' claim to be following republican doctrine enunciated in the Virginia and Kentucky Resolutions (1798-9), authored by Madison and Jefferson. The resolutions were made in protest against the Alien and Sedition Acts, passed by the Federalist congress, which targeted partisan criticism and immigrants for prosecution in the courts. Though the Federalist-dominated Supreme Court enforced the statutes, the consensus ever since is that these statutes clearly violated the 1st Amendment. Madison himself was directly drawn into his debate with the Nullifiers w respectively, were a precedent for Nullification.⁶⁵

⁶⁴ As he emphasizes repeatedly in his letters; see

⁶⁵ For a rational choice appeal to Jefferson's Kentucky Resolution, see Buchanan and Tullock, The Calculus of Consent, p. 16.

a quote of the anti-federalist Gunning Bedford at the Federal Convention of 1787: "I do not, gentlemen, trust

Madison pointed out that the published legislative debates of the Virginia and Kentucky legislatures contained 'no reference whatever for a state to arrest by force an national law', that no state at the time tried to interpose Federal enforcement of the law. The majoritarian elections of 1800 decisively rejected such Federalist policies and the new Jeffersonian congress repealed the legislation. Madison also cited letters from James Monroe, then governor of Virginia, who disavowed any who flirted with force and was thankful that the Republican forces acted according to law and order. Ultimately, Madison argued, Congress was responsible to the state legislatures and to state electoral districts, to their constituencies.

What caused Madison some embarrassment was that the more brilliant but sometimes erratic Jefferson had flirted with the idea of state nullification in his first draft for the Kentucky Resolution. Madison pulled him back from more extreme statements, and the provisions which suggested nullification were rescinded unanimously without objection. Further, as Madison never tired of reminding correspondents, the language which most resembled nullifiers claims, that the Alien and Sedition Acts were 'null, void, and of no consequence', were deleted from the final draft of the Kentucky resolution unanimously and without objection.

Madison also challenged the nullifier attempt to claim

you". See Calculus of Consent, p.16.

Jefferson 's support for their doctrines, pointing out Jefferson's support for the republican maxim of majority rule through out his career.⁶⁶ He especially criticized the nullifiers' "Attempt to father this newfangled theory on Jefferson", whose selective use of writings to 'the apostle of republicanism' was devoted to the proposition that all men are created equal and majority rule, and whose political life was most notable for his devotion to majority rule and human rights.⁶⁷

The Nullifiers threatened state veto of federal laws and secession in the name of the right of self-preservation and the right to resist, against which Madison distinguished between the right to revolution as an extra-Constitutional, natural right, and resistance under law--exercise of free speech, majoritarian electoral competition, and Constitutional amendment. Legal resistance, Madison emphasized, included protests, electoral competition, and constitutional amendment, but not minority veto. Madison also charged that the

⁶⁶ Madison might also have pointed out Jefferson's invocation of presidential power in the Louisiana Purchase, and even more importantly, his leadership and enforcement of the majoritarian Embargo of 1807, which threw an entire section of the nation, Federalist New England, into a severe economic depression. Jefferson hoped by this massive intervention into the economic life of the nation not only to avoid war with England, but to shift American economic development away from foreign trade and toward agricultural development in the south and west. One could argue that the scope of this majoritarian fiat has still not been surpassed in American history. Similar aims would help push the nation into the war of 1812.

⁶⁷ Madison, Works, IV, p. 410.

nullifiers were selective in the way they used Jefferson, pointing to Jefferson's nationalist Jefferson on fisheries and foreign commerce.⁶⁸ On Constitutional interpretation Madison argued that the Nullifiers rejected the plain meaning of the constitutional charter in favor of some technical theory. The Nullifiers, in other words, were imposing a new analytical theory on the Constitution.

In a letter of 1830 to the Marquis de La Fayette, Madison found nullification both a colossal heresy and a strange theory, and compared the development of French and American politics. Madison surmised that the French Revolution's progress into anarchy and autocracy had proved that the French were not yet capable of fully republican government, counseling La Fayette that constitutional monarchy in the form of the recent accession of King Louis Philip was probably for the best that could be hoped for, and offered American federalism as a model which the French might do well to consider. He also compared the French experience to the recent vicissitudes of American politics, that the debate over Nullification, however dangerous for the nation, had uncovered.

In a private letter, Madison reminded his correspondent that "The Constitution vests in Congress expressly 'the power to lay & collect taxes duties imposts & excises'; and 'the power to regulate trade'". Congress, operating under majority

⁶⁸ Madison, Works, IV, p. 248.

rule, Madison concluded, was ultimately responsible to its "Constituents, whose right and duty it is, in that as in all other cases, to bring their measures to the test of justice & of the general good". Madison thought that the chief deficiency of popular government was that it tended to be dominated by passion and short term thinking. He sought, accordingly, to remove political power away from the local level by extending the sphere of political space through representative government and by delaying majority decisions with checks and balances. Part of the concern was to fragment and slow down the political aims by religious groups and 'theoretic politicians' (i.e. ideologues). Giving scope and power to interests was safer than giving it to religious or political zealots, but thought that in the end a representative system must be based on majority decisions about justice and the general good. Madison here dwells on dividing the interest of elected officials, but other two aspects of the separation of powers should be noticed. First, the system may also be described as one of 'divided legitimacy', system of constitutional roles involving identity and propriety--but identity and propriety are more anti-Federalist language, obscured by Madison's desire to speak the language of interest. When a Senator resists a President, not only interest is at work, but the exercise of a Constitutional role and solemn invocation of Constitutional principle. Secondly, the separation is of particular powers; not only

legislative, but executive and judicial--Calhoun's Doctrine of supermajorities does away with the executive and judicial departments. Growing power of presidents and courts--and hence of majorities--which helped drive southern secession.

That Madison had given the importance of a diversity of interest and interests a major place in Federalist # 10 is well known, but Madison also argued that the diversity of interests arises from the diversity of the faculties of men--i.e. that men's faculties are prior to interest. Madison writes of a system of opposite and rival interests, public as well as private. Part of the disagreement between Madison and Calhoun is the relation between private interest and public action. Madison's concern was less with Interest per se than with what he identified as the problems of democratic politics--short-term, emotional thinking, the narrowness of local views, the ambition of demagogues, QUOTE FED LANGUAGE rages of party, paper money (then far more likely to get out of control than in our own day of Keynesian fine-tuning) the violation of rights and a stable property order, a modern version of the classical view of democracy⁶⁹

Madison defined the problem of liberty and of republican government as the problem of faction, which was sown into the nature of man. the, but they did have an idea of what dangers of faction. What worried the Framers was not so much interest

⁶⁹ This is captured nicely in Madison's phrase, If every member of the Athenian assembly were a Socrates, it would have been a mob. Classical notions of politics are

but faction; part of the design was to teach factions their interests. For the Framers, interest was less a problem than the passions: if the passions of local elections could be tamed by political scale and slowed through checks and balances, men would take a longer view, be far more likely to act in a reasonable self-interest that would reach the public good. Further, for the Framers made a distinction between enlightened and narrow interest. Factions begun in local ignorance, stirred up passions, the ambitions of designing men. The debate between Madison and the Nullifiers takes us back to the whole problem of majority rule in liberal social contract theory.

Both Hobbes and Locke had argued that when men leave the state of nature and enter into society, they agree that the decisions of the majority will conclude the rest because of their greater force. For Hobbes justifying rule by force is no problem because he goes still further and advocates absolute monarchy since majorities will be too diverse to rule.

"Men being. . . by Nature, all free, equal, and independent, no one can put out of this Estate, and subjected to the Political Power of another, without his own Consent".

"When any number of Men have so consented to make one Community or Government, they are thereby presently incorporated, and make one body Politick, wherein the Majority have a right to act and conclude the rest".

Locke pointedly calls attention to his agreement with Hobbes on this point when he poses the impossibility of unanimity. Given the

'variety of Opinions and contrariety of Interests which unavoidably happen in all Collections of Men, the coming into Society upon such terms, would be only like Cato's coming into the theatre only to go out again. Such a Constitution as this would make the mighty Leviathan of a shorter duration, than the feeblest Creatures; and not let it outlast the day it was born in: which cannot be suppos'd, till we can think, that Rational Creatures should desire and constitute Societies only to be dissolved. For where the majority cannot conclude the rest, there they cannot act as one Body, and consequently will be immediately dissolved again".

Violation of majority rule like minority veto, then, would put us back into the state of nature. Locke also defends majority rule as according to reason and the law of nature, but leaves it at that.

For Calhoun, on the other hand, all notions of the good life beyond immediate interest were part of the unreliable social passions, which were chaotic and unreliable. Men are not, Calhoun freely conceded, solely self-interested, but only selfishness is reliable, stable, rational. Yet while the passions were certainly a danger for Calhoun, they were in a sense too unstable, too unreliable to constitute a major threat, at least in modern societies, unless involved with disorder created by the appeal to the social passions, such as by majority rule and political parties. The passions, then, only threatened disorder when channeled by a larger catalyst: the real threat of oppression was when interests seized power under the forms of the constitution. For Calhoun the only way to balance of interest groups was with unanimity rules and an economy approaching laissez-faire.

Western political theory in general is unified by appeals

to (as well as attacks on) authoritative political thinkers. In America, appealing to the authority of the Founding Fathers has always been a common practice across the political spectrum, but this practice has characterized Calhounism in particular. Historically, Calhounism has been "frequently defended in Madisonian language"; some even argue that Calhounism is a "special variant on Madison".⁷⁰ In both language and substance, much of Calhoun's argument for checking political power draws on the Federalist Papers:

In framing a government, which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place, oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government; but experience hath taught mankind the necessity of auxiliary precautions. This policy of supplying by opposite and rival interests, the defect of better motives, might be traced through the whole system of human affairs, private as well as public. We see it particularly displayed in all the subordinate distributions of power; where the constant aim is, to divide and arrange the several offices in such a manner, as that each may be a check on the other; that the private interest of every individual, may be a sentinel over the public rights.

Madison's argument implied, but only weakly, that while interest may be a good beginning in politics--interest leads us into politics--it is in the end not enough. But since Madison, following liberal theory, sees men's gratifications as ultimately private, there is little scope for the public

⁷⁰ Robert A. Dahl, A Preface to Democratic Theory, 1956, 1970, Univ. Chicago Press, pp. 30, note 37; 28-9, note 35. See also James P. Young, Reconsidering American Liberalism (Westview Press 1996), who refers to Calhounism as "the worst-case scenario of Madisonianism raised to the nth degree". (p. 110). See also

virtues in his theory.

Actually, the Federalists had a specific policy agenda that tells much of their view of the public good--stable currency, prompt payment of government debt, a strong executive voice in foreign policy, majority regulation of trade, the protection of contracts, but their dependence on conflicting interests and suspicions of public power--ambition, leaves only a very constrained notion of the public good (this however is in tension with much of Madison's position, which is about nothing if not the quality of public judgement--short term thinking, passion, local views).

In 1833, having had several more years to reflect, Madison penned a final testimony to the nation on "Majority Governments", which attacked Calhoun's theory on its own ground. Madison began:

Dear Sir,--You justly take alarm at the new doctrine that a majority government is of all other Governments the most oppressive. The doctrine strikes at the root of Republicanism

Madison then went on to argue with the premise that politics could be reduced to interest, choosing Virginia as his example, and pointed out that even within a single state (Calhoun's proposed vetoing unit at that time) interests could be divided and subdivided ad infinitum--since "interest" is infinitely divisible, the public policy resulting from it must be indeterminate.

Madison also attacked the ambiguity between absolute unanimity and supermajorities. Even hypothetically, 'interest'

could not be exactly represented unless by total unanimity: Calhoun of course advocated approximate not total unanimity, so even supermajorities cannot pretend to an "exact" representation of interest. This raises the question of how one determines who or what sized group is to be given the veto power--and which groups which are not. In the Disquisition Calhoun stressed that unanimity was only a theoretical ideal, that in practice any widespread veto would qualify under his theory, and that the States or the South in general fit the historical circumstances for the protection of minorities in his own day.⁷¹ But, then the threshold of the veto power is determined by a pragmatic judgement made outside the theory, and so, strictly speaking, is indeterminate or arbitrary.⁷² The interests that end up with power under minority veto are the major interests.

Madison accordingly charged that it was an essentially an oligarchical, anti-republican theory hiding behind the banner of representation of interest.

The Patrons of this new heresy will attempt in vain to mask its anti-republicanism under a contrast between the extent and the discordant interests of the Union, and the limited dimensions and sameness of interests within its members.

. . . if majority governments as such, be the worst of

⁷¹ In terms of Calhoun's theory, as he presented it, the actual minority, interest, or section to be defended is selected by political prudence, not by the theory itself--a weak link for such an 'organic' theorist.

⁷² William W. Freehling, Prelude to Civil War, The nullification Controversy in South Carolina, pp. 159-173.

governments those who think & say so cannot be within the pale of the republican faith. *They must either join the avowed disciples of aristocracy oligarchy or monarchy, or look for a Utopia exhibiting a perfect homogeneousness of interests, opinions, and feelings nowhere yet found in civilized communities.*

The result of the whole is, that we must refer to the monitory reflection that no government of human device and human administration can be perfect; that that which is the least imperfect is therefore the best government; that the abuses of all other governments have led to the preference of republican government as the best of all governments, because the least imperfect; that the vital principle of republican government is the *lex majoris partis*, the will of the majority; that if the will of the majority cannot be trusted where there are diversified and conflicting interests, it can be trusted nowhere, because such interests exist everywhere⁷³

This letter goes to the heart of the matter. Madison insists that 'no Utopia exhibiting a perfect homogeneousness of interests' exists and that those who look for or who want to assume such a perfect system with which to find government by majority rule wanting are essentially anti-republicans who will not both 'think & say' what the openly avowed partisans of aristocracy, oligarchy, and monarchy will. Diversified and conflicting interests exist everywhere, so attacks on majority rule for not representing "interests" are indeterminate. In the end, Madison argues that the mechanistic channeling of interests alone cannot constitute the whole of republican government, nor lead to a reasonable republican resolving of public issues.

Much in the vein of Aristotle before him and, say, Winston

⁷³ Madison, Letter on Majority Rule, [1832]: 529-530.? [My emphasis].

Churchill after, Madison argues that in practice the democratic republic is the worst of all governments--except for all the rest. There is no summum bonum but there is a summum malum. But this prudential argument that we must accept majority rule merely because there is no alternative is a weak one compared to those who would appeal to the best. Hamilton's observation that giving a minority a veto over the majority tends subject the sense of the greater number to that of a lesser number is a stronger argument--and here at least Madison does make the case.

It might also be noticed vis a vis the debate between Madison and Calhoun that at the Constitutional Convention of 1787 a supermajority rule of 2/3's was discussed in some detail and then rejected. Charles Pinckney (S.C.). proposed a 2/3's rule on regulating foreign commerce, a rule which would protect the southern states dependant on the export of rice, indigo, tobacco, and cotton. Instead one of the major decisions at the Convention and purposes of the Constitution was to ensure national majority control over foreign trade in order to prevent the states from taxing each other's imports, to present a unified national policy to prevent foreigners for engaging in unfair trade practices, and to encourage domestic industry and shipping through the creation of a national market beyond the control of the states and regulated by national majorities. (Under the Articles of Confederation, states with major importing cities would indirectly tax

neighboring states by taxing imports). Northern delegates also argued candidly that much of their interest in a stronger union was precisely to protect industry and shipping from foreign, chiefly British, competition. George Clymer, member from Pennsylvania (and a signer of the Declaration of Independence), argued that the northern and middle states would be ruined without the ability to defend themselves against foreign regulations, and that the very difficulty of managing diverse economic interests required strict majority rule: 'The diversity of commercial interests creates difficulties, which ought not to be increased by unnecessary restrictions' on majority rule. Similarly, Gouvenour Morris (Pa.) argued that shipping in particular was in need of powerful public patronage both because of national defense and because it was the most precarious kind of property (at the time commerce was more risky than agriculture, which was more localized and less vulnerable to the vicissitudes of mass markets).

Colonel George Mason of Virginia, in contrast, argued that the majority of people are governed by interest, and asked, since the southern states were a minority,

"Is it to be expected that they [the Southern states] will deliver themselves bound hand & foot to the Eastern States, and enable them to exclaim, in the words of Cromwell on a certain occasion--'the lord hath delivered them into our hands?'".

James Wilson of Pennsylvania replied that if every peculiar interest was to be secured, *unanimity* [i.e., absolute

unanimity] ought to be required', but that minorities were just as motivated by interest, and are therefore no better than majorities vis a vis *interest per se*, and that the inconveniences of governing with supermajorities had been proved under the Articles of Confederation. Wilson would emphasize the next day, when majority control over admitting new states was at issue, that "Unanimity was of great importance, but not to be purchased by the majority's yielding to the minority".⁷⁴

The 4 southern states at the convention (Virginia, North Carolina, South Carolina, and Georgia) would have been voted down by the other 7 states in any case,⁷⁵ but a vote on purely regional lines was prevented when Madison's vote split the Va. delegation, and Gen'l (Charles Coteworth) Pinckney led the South Carolina delegation (including his cousin Charles Pinckney, who had dutifully introduced the 2/3's measure for his constituents) to vote for majority rule. Why did South Carolina bolt the southern delegation on the 2/3's proposal?-- a question South Carolinians would be asking Pinckney years later in the 1820's:

Gen'l Pinckney said that it was the true interest of the S. States was to have no regulation of commerce; but

⁷⁴ Madison, Notes to the Convention, p.555.

⁷⁵ By this time, 2 of the 13 states were not represented at the Convention, anti-Federalist Rhode Island having refused to send any delegates at all, and the N.Y. delegation having left the convention in disgust--Yates and Lansing because the new Constitution was too centralized, Hamilton because it wasn't centralized enough.

considering the loss brought on the commerce of the Eastern States by the revolution, their liberal conduct towards the views of South Carolina, and the interest the weak Southern states had in being united with the strong Eastern [Northern] states, he thought it proper that no fetters should be imposed on the [majority's] power of making commercial regulations; and that his constituents though prejudiced against the Eastern States, would be reconciled to this liberality.⁷⁶

The South Carolina delegation, then, voted for majority control of commerce with appeals to the sacrifice of the revolution and the long-term interest of the Union. The importance of this debate is hard to exaggerate for majority control of interstate and foreign commerce is among the most important powers granted to the Federal Government by the Constitution.

We should note however that Pinckney's references to the 'liberality' of the Eastern States and their 'liberal conduct towards the views of South Carolina' concerned not only the north taking the earliest stages of the Revolution on the chin, but northern toleration of various Constitutional provisions guaranteeing slavery: to count 3/5's of a slave for purposes of taxation and legislative apportionment (the 3/5's Compromise), to forbid congressional interference with the slave trade until 1808, and to enforce fugitive slave laws across the Union. As Madison would remark then and later, the greatest underlying conflict at the Convention (though rarely mentioned in its nakedness) was not between large state and

⁷⁶ Madison's Notes on the debates of the Const. Conv. of 1787, Aug. 30, 1787, p.548.

small, but between north and south, free and slave. Accepting slavery was the price northern Federalists, who made their detestation of slavery known at the Convention, had to pay for a Constitution acceptable to the southern delegates--and the provisions concerning slavery did not go down very well in the New England state-ratifying Conventions. (On the other hand, the Pinckneys would begin to have second thoughts about the powerful Federal Government they had helped to create once the Missouri Compromise [1820] consigned slavery below the Mason-Dixon line--though the final denouement wouldn't come until 1861).⁷⁷ Here however we can see problems with Madison's argument at the time that separation of powers (bicameralism, the independence of the Senate, and Executive veto) and the natural diversity of economic interest--agricultural, commercial, and geographic--would limit majority abuse of power. But the U.S. Constitution was still a majoritarian instrument.

The Convention's debate on majority regulation of commerce

⁷⁷ James David Reisman's claim (The Political Economy of James Buchanan, op sit) that James Buchanan was influenced by George Mason in particular, has a basis in Mason's support for a 2/3's supermajority rule on Federal regulation of commerce, but this was a minority position decisively rejected by the mainstream of the Convention, and Mason opposed ratification partly on this ground. Mason, however, was not an advocate of a generalized theory of unanimity rules (nobody in America at the time was), and would also oppose ratification because of his dislike of a powerful presidency, the continuation of the slave trade, the Convention's failure to produce a Bill of Rights, and more generally, the power of the proposed Federal Government. He was, however, a significant force at the Convention.

also raises the question of the Framers' conception of role of self-interest in a republic, questions later raised by Calhoun and later economists' conception of politics. The general attitude of the majority towards self-interest may be gauged by their reaction to the endeavors of William Paterson of N.J., author of the N.J. Plan. (The reader will recall that Constitutional Convention opened with Virginia Plan, which proposed, among other things, a bicameral legislature with each house apportioned by population; that it was countered with the N.J. Plan, which proposed, among other things, that the new Constitution continue to follow the practice of the Articles of Convention, with a single house congress representing only the states; and that the Convention settled on the 'Great Compromise', which provided for a bicameral legislature, with the House representing population, and the Senate representing the States--a violation of the principle of one man one vote which most of the convention swallowed only to get ratification; Madison and some others were never reconciled to the compromise). The small state delegations, seeking protection against the powerful larger states, sought more power in the Federal system. Paterson went even further than the others, demonstrating his willingness to go to almost any rhetorical excess and to trade any constitutional provision as long as N.J. would get a vote equal to each of the other states. He was even willing to attack the legitimacy of the convention--making an appeal to the residuum of anti-

Federalists then sidelined at the Convention) and demanded that the small states get a unicameral legislature with representation by states rather than population. In a display of false economy, he objected to the added expense of paying for 2 rather than one house of congress. When his colleagues objected to his whole line of conduct, Patterson defended his behavior as in accordance with the interest of N.J.: "I came here not to speak my own sentiments, but the sentiments of those who sent me".

Most of the convention was not impressed with Patterson's blatant championship of self-interest. James Wilson questioned "With regard to the sentiments of the people, he conceived it difficult to know precisely what they are. Those of the particular circle in which one moved [i.e., in this case, states], were commonly mistaken for the general voice." He went on to question whether, given the widespread call for national relief from the Articles of Convention, the states best represented the interest of the people, and laid out the Federalist argument for a large republic, arguing that corruption was more likely to flourish in small [state and] local bodies than in a large national one.

Charles Pinckney reacted to Paterson's speech with contempt: ". . . the whole comes to this, as he conceived. Give N. Jersey an equal vote, and she will dismiss her scruples He thought the Convention authorized to go any length in recommending, which they found necessary to

remedy the evils which produced this Convention".⁷⁸ Pinckney's jibe about Patterson's scruples apparently caused some commotion, for Oliver Ellsworth of Connecticut tried to calm the proceedings down with an innocuous amendment: "Mr. Ellsworth, proposed as a more distinctive form of collecting the mind of the committee⁷⁹ on the subject, that the Legislative power of the U.S. should remain in Congress". The rest of the Convention didn't want to collect their minds in such an agreeable fashion and Ellsworth's motion was not seconded. John Randolph of Va. spoke next, and followed up on Pinckney's attack: "When the salvation of the Republic was at stake, it would be treason to our trust, not to propose what was necessary. He painted in strong colours, the imbecility of the existing confederation'. . . (i.e., by implication, the treason to the Federalist cause and imbecility of the N.J. Plan and its author). Randolph then went on to call into question Paterson's consistency and integrity, arguing that if the standard of judgement was 'the sense of our Constituents as denoted by their acts', then it would be indecent to criticize the existing Articles of Convention at all, let alone to dare to enter into the new experiment of a constitutional convention without knowing the opinions of the

⁷⁸ This Compare John P. Roche, A Reform Caucus in Action, who cites Patterson's views as the underlying, real, rule of interest!

⁷⁹ The convention was then sitting as the committee of the whole.

other delegates or what the outcome of so uncertain a process might be. Randolph then appealed to the convention's sense of urgency and entered into a discussion of Federalist principles.

The next day, Alexander Hamilton (N.Y.) launched his famous proposal to make the constitution an elective version of that of Great Britain, 'the most perfect constitution on the world'. The delegates heard Hamilton out (he was after all, a powerful ally of Washington and a delegate from a crucial large state); and then ignored his proposals for the rest of the convention, but his view of interest mirrored that of the bulk of the convention and so bear some recital. Hamilton objected that the interest and sentiments of the people were of course attached to the States through habit and immediate interest, but that the convention must move beyond the current status quo to a higher notion of the needs of the nation. In this view, interest is characterized by attachment to institutions, habit, and the status quo, and is incapable of larger constitutional effort.

The next day following, the Convention debated proposed alternatives, in contrast with the 'patrons' of the N.J. Plan--neither mentioning nor deigning to mention Paterson. Even Roger Sherman (Conn.), who supported the N.J. Plan, pointedly did so without appeal to self-interest, and instead appealed to the lines from the Declaration of Independence--i.e., to principle. (Sherman, a signer of the Declaration, was also on

the committee that appointed Jefferson to write the document). The idea of competing interests, both public and private, occupied a central role for the Framers', but they still saw interest as secondary to statesmanship. While the members of the Convention paid close attention to the interests of their respective states and sections in the interests of getting the Constitution ratified, most thought they were trying to frame a Constitution that would channel interests toward the higher end of a broad-based republic that could act for the public good on the national level.

Part of the embrace of self-interest was not so much 'realism', as a stable haven from the conflicts of religion and theoretic politicians. The Framers' design was an institutional mechanism that through separation of powers require the formation of separately selected majorities in order to govern. Theoretically, the U.S. Constitution originated with a quarrel with Montesquieu. On separation of powers the Federalists began with Montesquieu; as Madison once put it:

"The oracle who is always consulted and cited on this subject is the celebrated Montesquieu. If he be not the author of this invaluable precept in the science of politics, he has the merit at least of displaying and recommending it most effectually to mankind".⁸⁰

Reading Montesquieu on separation of powers is a useful anecdote to those who take too seriously Madison's emphasis on interest in Fed. #51, which is framed in the language of

⁸⁰ Madison, Federalist #47, p. 301.

interest. Montesquieu, in contrast, assumes that most societies at most times will have a traditional constitution; while his justification of separation of powers is partly the Lockean idea that no man can judge of his own case, his view of separation of powers is framed not in terms of competing interests but in terms of institutional capacity; the inability of deliberative legislative bodies to run a war effort, or of the executive to debate and air issues, or of judicial bodies and democracy.

Of especial interest here is that Montesquieu's view of Poland's system of minority veto (the *liberum veto*, L. 'veto of liberty'), by which the Polish aristocracy preserved their oligarchical power by limiting the power of the State. Montesquieu commented: "the independence of each individual is the purpose of the laws of Poland, and what results from this is the oppression of all".⁸¹ The Polish aristocracy consistently refused to reform the system even as Poland was gradually devoured by enemies on all sides, the final denouement of which Montesquieu did not live to comment upon. Calhoun on the other hand, admired Poland for lasting so long with approximate unanimity.

Even after Madison's protests, Calhoun continued to claim publically to be following in the footsteps of the Framers. His private teaching however differed from his public teaching. Known to pay especial attention to the young, in a

⁸¹ Montesquieu, The Spirit of the Laws, p.156.

letter of 1840 Calhoun privately counseled a youthful correspondent who had sought his advice on what to read to understand American politics:

D[ea]r Sir, You ask me a question not easy to answer. There is no satisfactory account extant on our system of government. The Federalists is the fullest and, in many respects, the best, but it takes many false views and by no means goes to the bottom of the system.⁸²

Calhoun then advised his correspondant to read Madison's Virginia Resolutions and the Kentucky Resolutions (which he found "far deeper, but less full" than the Federalist), the pamphlet literature of the South Carolina secession, histories of the states of antiquity, England, and America, and "the best elementary treatises on government, including Aristotle's, which I regard as among the best."⁸³ To this, must

⁸² Calhoun 1840; cited in The Essential Calhoun, pp. 422-3.

⁸³ Lord Acton 1861 and August Spain 1936 have made much of Calhoun's occasional appeal to the authority of Aristotle, but this appears to have been a more or less opportunistic appeal to a known defender of both republican institutions and slavery. To make only the most obvious of contrasts, Calhoun was a strident legal positivist and took no interest in widespread political participation, while Aristotle characterized minority interposition (in his day a device in use on Crete) as a fundamentally lawless and oligarchic principle incompatible with Constitutional government, domestic political stability (i.e. consent), or national defense. (Aristotle Politics 1272b13-b24 [1958: 82-3]). As we have noticed above, the view of minority veto in the Federalist Papers mirrors that of Montesquieu--who explicitly draws his own view of the matter from Aristotle, commenting that minority interposition on Crete 'established sedition in order to prevent the abuse of power' p.120. ;

Of course Aristotle's Politics has always been considered amongst the greatest work of political philosophy and was widely used and abused by all; see for example John J. Pocock, The Machiavellian moment.

be added a thorough knowledge of political economy, and of his country" . . .⁸⁴ Despite his public claims to the contrary, then, for Calhoun the philosophy of the Founders was the best ever written but was false on many matters, at best, incomplete, so that as of 1840 no satisfactory account of American government, majority rule, and minority veto yet existed. Calhoun emphasized, however, the importance of political theory, history, and a thorough knowledge of political economy.

⁸⁴ Calhoun 1840, op sit.

Chapter 3. A Biographic Treatment: Calhoun in context, from the Founding to the Civil War.

There has been a good deal of disagreement among scholars about Calhoun's basic philosophical views. Richard Current has called Calhoun the Philosopher of Reaction, the American contribution to the anti-democratic tide of the post-Napoleonic era.⁸⁵ Similarly, Louis Hartz argued that Calhoun was the American counterpart of de Maistre, a reactionary with no place within American Lockean liberalism.⁸⁶ But to so regard Calhoun's ideas as simply absurd is not only to dismiss his ideas without a hearing, but to trivialize the issues that led to America's most bloody conflict. And if Calhoun was a reactionary, he was an odd reactionary, at least in the sense that usually we think of reactionaries. Before his turn to anti-majoritarianism in the 1820's, Calhoun had favored tariffs to encourage the growth of fledgling American industry and provide the Federal Government with funds for internal improvements.⁸⁷ As Secretary of War, he rationalized that department into bureaus and instituted cost accounting, setting up the basic structure of the U.S. military forces to

⁸⁵ Richard N. Current, 1943

⁸⁶ Louis Hartz, *The Liberal Tradition in America*, 19
:

⁸⁷ On Calhoun's role, early in his career, in economic nationalism, Charles Wiltse I: 1948 and Bourgin 1989: 155-164.

the Civil War. Calhoun had also advocated the construction of a national system of roads and canals to tie the country together both militarily and economically; he was the major force behind the construction of the inter-coastal waterway from Maine to Florida.⁸⁸ Whenever he had time off from politics, Calhoun took an intense interest in economic opportunity and development: scientific farming, mining, investments in the west, the building of roads, canals, and railroads, etc. Calhoun was one of the best informed men in the classical economics of his day in American public life, and was a leading Senatorial player on all the great economic issues of the day-- internal improvements, banking regulation, and the tariff--an odd 'reactionary', surely.⁸⁹

Calhoun's education was that one might expect for a well educated American of his day; by his own account his earliest readings were Locke on Human Understanding, Voltaire, and Enlightenment histories of statesmen, as well as classical sources such as Plutarch--all of which emphasized the importance of leadership, something that impressed a young man born to command on his father's plantations. The controversy about Calhoun's ideas is born of the problem of slavery and racism (more broadly, inequality) in a liberal society,

⁸⁸ Later the waterway would be extended to Texas. Justified of course with reference to national defense, just as the superhighway system would be sold in the 1950's.

⁸⁹ Similar observations may be made of the all the leading nullifiers; see Jervis, Hayne, Dumas, Cooper,

compounded by Calhoun's own striking combination of rigorous looking logic and value relativism (some might say opportunism).⁹⁰

The Founders had hoped, or rather rationalized, that slavery would decline with the aid of time, gradual reform, and the regular operation of progress; banning slavery from the northwest territories and ending the slave trade with Africa gained acceptance across the Union. But markets--driven by technological developments such as the cotton gin, new strains of cotton, and British industrialization--dictated otherwise, and slavery exploded.

Tolerated rather than approved in the early days of the republic, slavery had never been looked upon with any degree of pride. . . . The growing profitableness of slavery made it, however, economically desirable . . .
..⁹¹

⁹⁰ "Calhoun's formulation of the nullification doctrine is intelligible only against the background of the Lockean social-contract theory" . . . Freehling, Prelude to Civil War, op sit, p. 160; see also Wilson Carey McWilliams, Fraternity in America: "The writings of John C. Calhoun . . . are entirely based on Enlightenment concepts". (p. 260; more generally see pp. 258-279).

The "states' rights" system Calhoun sought to preserve is a form of pluralism, what Robert Dahl has called a 'competitive polyarchy': "As everyone knows, a competitive polyarchy in the United States enforced a state of extreme inequality on its black population both during slavery and after". Robert A. Dahl, Polyarchy, Yale University Press 1971, p. 93. For an empirical examination of the pluralist diversity of the 'solid south' towards the end of Jim Crow, see V.O. Key's still unsurpassed Southern Politics in State and Nation.

⁹¹ Charles Merriam 1913.
We might also notice that Immanuel Wallerstein, The Modern World-System, NY. Academic Press, 1974 puts the rise of slavery within the development of producing raw materials for a growing capitalist world market. Gavin Wright, The

As one Calhoun scholar characterized the instinctive reaction of many slaveowners to abolitionism, "Property worth from nine hundred million to two billion dollars could not be as bad as it was pictured".⁹²

And Calhoun defended slavery on progressive grounds: scientific racism (the Kuhnian 'normal science' well into the twentieth century), as an experiment in progress, and as an economic success story:

Never before has the black race of Central Africa, from the dawn of history to the present day attained a condition so civilized and so improved, not only morally, but physically and intellectually. It came upon us in a low, degraded, and savage condition, and in the course of a few generations it has grown up under the fostering care of our institutions, as reviled as they have been, to its present comparatively civilized condition. This, with the rapid increase of numbers, is conclusive proof of the general happiness of the race, in spite of all the exaggerated tales to the contrary.⁹³

And in purely economic terms Calhoun and other southerners had a case: American economic development was heavily based on the exports of the southern plantation economy right up to the outbreak of the Civil War, and by Calhoun's day the southern plantation economy and the slave trade was being financed by

Political Economy of the Cotton South, agrees, but challenges the notion that slavery was 'inefficient' by pointing out the ambiguity of the concept and arguing that slavery was economic efficient, or rational, in its ability to compete against the free labour of single family farms, both through economies of scale and by shifting labour from non-market (i.e. household) activities into producing goods for the market (see especially pp. 6-9, 87, 126).

⁹² See Spain 1968: 225, Hammond 1853: 141.

⁹³ Calhoun 1992 [1837], pp. 463-476, esp. pp. 467, 473-4.

New York banks.⁹⁴

Yet as important to our discussion is Calhoun's view of the relations between whites, to which arguments about race don't apply. Though Calhoun argued that the basis the American system was equality of treatment, one should not confuse this with equality. Calhoun thought inequality was good for competition, and argued for the principle that

. . . the main spring to progress is, the desire of individuals to better their condition, and . . . the strongest impulse which can be given to it is, to leave individuals free to exert themselves in a manner they may deem best for that purpose . . . to secure all the fruits of their exertions (Calhoun 1992: 43). It is, indeed, this inequality of condition between front and rear ranks, in the march of progress, which gives so strong an impulse to the former to maintain their position, and to the later to press forward into their ranks. This gives progress its greatest impetus.⁹⁵

We should not miss in this account of liberty who and what is meant by the 'rear ranks': in Calhoun's world, white labor shared the rear ranks with slaves--inequality and slavery,

⁹⁴ Economists going back to Cairnes 1862 have argued that in the case of slavery short run considerations are deceptive, and that in the long run slavery would have debilitating effects on economic production, but North 1961 demonstrates that the slaveowners were on solid ground in their contention that Southern exports (as well as trade with the slave economy of the Caribbean) provided the bulk of the capital for northern industrialization and western expansion. North, however, argues that the influence of tariffs was exaggerated. Calhoun: "We are told, by those who pretend to understand our interest better than we do, that the excess of production, and not the Tariff, is the evil which afflicts us". . . (Calhoun, p. 330).

⁹⁵ Disquisition, p. 44.

then, were good for competition and progress.⁹⁶ Some of Calhoun's letters specify this claim: quote the rise of slavery in the sc upcountry brought prosperity and economic growth, while driving out the poor white trash, who were then motivated to rise up themselves in westward expansion.

Despite his appeals to progress and scientific racism, then, Calhoun's opinion of the place of northern labor did not differ so greatly from his opinion of the place of southern labor. The Disquisition, which we have followed so far, was only the second and final version of Calhoun's doctrine. The first, the South Carolina Exposition and Protest, which Calhoun authored to defend South Carolina Secession of the 1828-32, advanced quite specific views on the nature of the market system:

. . . its tendency is, to make the poor poorer, and the rich richer. Heretofore in our country, this tendency displayed itself principally in its effects, as regards the different sections--but the time will come when it will produce the same results between the several classes in the manufacturing States. After we [the slave owning south] are exhausted, the contest will be between the capitalists and the operatives; for into these two classes it must, ultimately, divide society. The issue of the struggle here must be the same as it has been in Europe. Under the operation of the system, wages must sink more rapidly than the price of necessities of life, till the operatives will be reduced to the lowest point--when the proportion of the products of their labor left to them, will be barely sufficient to preserve existence.⁹⁷

⁹⁶ Wilson Carey McWilliams, "Calhoun", in The Blackwell Encyclopaedia of Political Thought, Ed. David Miller, Oxford: Basil Blackwell, 1987, pp. 54-55.

⁹⁷ Calhoun 1992 [1828], p. 334.

In Calhoun's view of competition, the weak went under. The planters of the south (rent) would go first, followed by the northern working classes--ending in revolution and anarchy, as in Europe.⁹⁸ Peering into this 'inevitable' future, Calhoun proposed to ally southern slave owners with northern capital [?industrialists] to prevent future revolutions, preserving slavery as an anchor of stability and a check on power in a world of capitalist competition and struggle. Unanimity rules would be the political linchpin of the system. For these views, Richard Hofstadter called Calhoun the 'Marx of the Master Class':

Before Karl Marx published the Communist Manifesto, Calhoun laid down an analysis of American politics and sectional struggle which foreshadowed some of the seminal ideas of Marx's system. A brilliant if narrow dialectician, probably the last American statesman to do any primary political thinking, he placed the central ideas of "scientific" socialism in an inverted framework of moral values and produced an arresting defense of reaction, a sort of intellectual Black Mass.⁹⁹

Striking and insightful words, but hardly the mystical black mass Hofstadter supposed. Calhoun did not so much anticipate Marx as follow the orthodox Ricardian economics of the day.

⁹⁸ See Freehling, Prelude to Civil War, esp. Part II, "Crisis" The tariff and the Indirect Defense of Slavery, pp. 82ff.

In the public choice literature, majority control of tariff policy is attacked in Arrow 1963: 43-45; Ward 1961, and Tullock 1967.

⁹⁹ Richard Hofstadter, The American Political Tradition, 1948, pp. 80-84). Hofstadter's position on Calhoun is the orthodox one among historians. Similar estimations may be found in Spain 1968: 233, 257; Current 1943, and Wiltse III 1952: 332ff.

The passage is a clear reference to the sinking wage doctrine,¹⁰⁰ but as one observer has noted, all the Nullifiers made similar arguments.

The form of Calhoun's Doctrine resembles that of Ricardo. Within Ricardian economics lay two contradictory beliefs, the community of interests and the irreducibility of conflict. Ricardo's static theory assumed that if laissez-faire prevailed the invisible hand would distribute reward as deserved. His dynamic theory however assumed conflict in distribution between Capital, Labour, and Rent. This scheme, along with political events in early nineteenth century Europe, inspired apocalyptic visions of worldwide revolutionary class conflict on both the Left and Right, not only in Marx but in Calhoun. Just as Ricardo stood for capital, and Marx for labor, Calhoun in effect stood for rent, in the form of landed slaveowners.¹⁰¹ Calhoun also shared Ricardo's dichotomous view of the private sector, portrayed at the same time as harmonious cooperation and on the other as a

¹⁰⁰ The wages must fall to subsistence under perfect competition is still orthodox doctrine in micro-economics.

¹⁰¹ Interestingly enough, Marx himself, reporting on ante bellum American politics, argued that the purpose of minority veto was to protect the political power of an 'oligarchy of 300,000 slaveowners': ". . . the leaders of the South had never deceived themselves as to the necessity for keeping up their political sway over the United States. John Calhoun, in the defense of his proposition to the Senate, stated distinctly on February 19, 1847, 'that the Senate was the only balance of power left to the South in the government', and that the creation of new slave states had become necessary 'for the retention of the equipoise of power in the Senate'". Karl Marx 1966 [1861]: 210-222.

world of oppression and war, especially class war.

Calhoun also shares with Ricardian-type analysis (as does Marx) a style of logical, deductive reasoning from dogmatic premises, something noticed by John Stuart Mill, who upon reading the Disquisition found Calhoun's style 'severe--the writing of a logician' and was immediately reminded of his own father, the economist James Mill, who had urged Ricardo to write in the first place (Mill 1854). Calhoun's 'South Carolina Exposition and Protest', combines constitutional doctrine with predictions about the empirical effects of various constitutional provisions drawn from political economy--falling prices causing genocidal competition between capitalists, operatives, and landed wealth.

Apologists for slavery would look at classical political economy and argue that slavery was a better system for labour.¹⁰² We can also find similar rationalizations about the

¹⁰² "We are not aware of anyone that disputes the fact that crime and pauperism throughout Western Europe increased *pari passu* with liberty, equality and free competition. . . . How slavery could degrade men lower than universal liberty has done, it is hard to conceive . . . ; . . . the grinding oppression of universal liberty, free competition, and laissez-faire. . . is the carrying into practical operation the theories of the political economists. . . While all this [revolutionary] hubbub and confusion is going on in France and in England, occasioned by the intense suffering of the free laborers, we of the South and of all the slaveholding countries, have been as 'calm as a summer's evening', quite unconscious of the storm brewing around us. Yet those people who confess that their situation is desperate, insist that we shall imitate their institutions, starve our laborers, multiply crime, riots, and pauperism . . ." George Fitzhugh, Sociology for the South or the Failure of Free Society, Richmond 1854, pp.36-7, 52, 65, respectively. Fitzhugh repeatedly identifies the

Irish potato famine.¹⁰³ Indeed, Adam Smith argued that the self-interest of the individual was to enslave others.

"But if great improvements are seldom to be expected from great proprietors, they are least of all to be expected when they employ slaves for their workmen. The experience of all ages and nations, I believe, demonstrates that the work done by slaves, though it appeared to cost only their maintenance, is in the end

doctrine of laissez-faire to the Edinburgh Review--the mouthpiece of Ricardianism (pp. 59-60,).

¹⁰³ "During these times there was a little episode in Ireland-- . . . A few thousands only had usually starved annually; but the potato crop failed; they had no feudal lords to buy other food for them, and three hundred thousand starved in a single season. No slave serf ever did starve, unless he were a runaway". George Fitzhugh, Sociology for the South. On this view, Fitzhugh was on orthodox economic ground; in The Principles of Political Economy, J.S. Mill's argues that serfdom in Western Europe ended because population pressures and the attendant costs of maintaining serfs made it more profitable to throw the peasants off the land. He then extended the argument to Ireland "If the Irish peasantry were slaves, their masters would be as willing, as their landlords now are, to pay large sums merely to get rid of them. In the rich and unpeopled soil of the West India islands, there is just as little doubt that the balance of profits between free and slave labour was greatly to the side of slavery . . . (p.249). "If full-grown able-bodied slaves can be procured in sufficient numbers, and imported at a moderate expense, self-interest will recommend working the slaves to death, and replacing them by importation in preference to the slow and expensive process of breeding them". (p. 245)

While Mill deplored slavery in advanced nations, he recognized the empirical fact of its profitability, especially in countries with labour shortages, in plantation economies, and where the work-load expected could not be extracted from a free laborer (pp. 245-51).

Fitzhugh on the other hand rejected liberalism and Calhoun, and sought refuge in a mix of slavery, feudalism, and socialism. A marginal intellectual figure (indeed, for all his touting of race superiority, a marginal intellect), he has been seized upon by later historians who wished to prove to that slavery and inequality were essentially foreign to American thought.

the dearist of any. A person who can acquire no property, can have no interest but to eat as much, and to labour as little as possible. Whatever work he does beyond that which is sufficient to purchase his own maintenance, can be squeezed out of him by violence only, and not by any interest of his own".¹⁰⁴

Smith had more to say on the nature of man: "The pride of man makes him love to domineer, and nothing mortifies him so much as to be obliged to condescend to persuade his inferiors. Wherever the law allows it, and the nature of the work can afford it, therefore, he will generally prefer the service of slaves to that of freeman". Smith also noted however that the high profits of sugar and tobacco allow slavery to be profitable. "The profits of a sugar-plantation in any of our West Indian colonies are generally much greater than those of any other cultivation than is known either in Europe or America" . . .¹⁰⁵ Smith however was also clear that "Slaves, however, are very seldom inventive" contrasting the improvements from free men with slaves motivated only by accusations of laziness and abused or punished.¹⁰⁶ Smith went on to argue that while slavery would appear to be the cheapest of all forms of labour it was in fact the most expensive both because slaves have no self-interest to work hard and because of the likelihood that any labor-saving device invented by a slave would be rejected by the master as an excuse for

¹⁰⁴ Adam Smith, Wealth of Nations, pp. 387-8.

¹⁰⁵ Smith, Wealth of Nations, pp. 388-389.

¹⁰⁶ Smith, Wealth of Nations, p. 684.

laziness (though in this explanation, the expensiveness of slavery was in art due to the irrationality of the master).¹⁰⁷ Smith, however, also acknowledged that when a particular commodity had a high price, such as sugar or tobacco, slavery was quite profitable, enough so that the slave plantations of the West Indies were the most profitable of any cultivation in either Europe or the Americas. (Smith extended this claim to hired labour, claiming that in general even the laziest of self-employed would work harder than the hardest working employees—something lost to and on modern economists).

All the nullifiers Marx's of the master class. In fact, Nullification doctrine began with Ricardian economic analysis.¹⁰⁸ While Calhoun was the leading national spokesman for Nullification and the political theorist who gave it its most classic formulations, he was not the originator, even in South Carolina. One of the earliest Nullifiers would preceded Calhoun, was Dr. Cooper of Columbia, the state capital of South Carolina, an English radical expatriate gone native in

¹⁰⁷ Ibid, p. 388.

¹⁰⁸ Calhoun's own emphasis on the importance of political economy is seconded by recent historical work on antebellum Southern economic theory: "While the Southern conception of national development is evident in the debates within Jacksonian democracy, the body of theory cannot be adequately constructed from these debates. Rather, the body of theory necessary for understanding the South is developed in the texts in political economy". Allen Kaufman, Capitalism, Slavery and Republican Values, 1982 University of Texas Press, Austin, pp. 86-7. Kaufman limits his study to Dew and Cardozo, economists writing in the aftermath of Calhoun's Exposition

South Carolina, and professor of Chemistry and Political Economy.¹⁰⁹ The first call for state Nullification of Federal

¹⁰⁹ Some background would be appropriate here, as Cooper's for , both . Cooper's life (1759-1840) was an amazing kaleidoscope of his era. Born in England and educated at Oxford and , Cooper was a partner in a factory in Manchester, associate of Priestly and the younger Watt, member of the Revolution Society. Visiting Paris as a fan during the Revolution, Cooper supported the Mountain, publically debated with Robespierre and shortly thereafter fled for his life back to England. Denounced by Burke in the House of Commons as a Jacobin, he and Priestly found England uncomfortable (Priestly's house in Manchester having been destroyed by a God and King mob) and they emigrated to Pennsylvania in 1793. After a few years of uncharacteristic quiet, Cooper decided to provide a test challenge to the Alien and Sedition Laws by attacking President Adams. Sentenced to 6 months in jail for libel by Justice Chase of the Supreme Court, Cooper became a hero to the Jeffersonians. Upon his release, he went to N.Y. and attempted to bring charges against Alexander Hamilton for his recent nasty attacks upon the president (Hamilton, whether to avoid the charges or on other business, made himself scarce and went to Albany); while the attempt failed in the courts, the Jeffersonian press was delighted. Libel law and still a minor classic ; follows Bentham positive law; attempts to be remunerated for this fine unsuccessful all his life--in later years led by Calhoun .

Appointed to a district judgeship by grateful Pennsylvania Jeffersonians after the elections of 1800, Cooper's support of the packed Federalist bench against electoral interference and his erratic behavior as judge led to his impeachment in 1811. Cooper then turned to academic life, first as chemistry professor at Carlisle College, then as in Philadelphia .

As an associate of Priestly (who after an uneventful sojourn in Pennsylvania died in 18) and a hero of the resistance to the Alien And Sedition laws, Cooper took up a sporadic correspondence with Thomas Jefferson and sent him many of his publications. Jefferson was initially impressed with Cooper's translation of Justinian's code; later Cooper tried to convince Jefferson of Malthus. Cooper was Jefferson's first pick to staff UVA, though Cooper's disputes with the Calvinists made this impossible. Hired by South Carolina College as an instructor, he was made president the next year. Called by John Adams a genius, a science, and a madcap, Cooper was an intellectual jack of all trades, but master of none.

laws in the south was by Cooper. Indeed, a letter from one South Carolinian to Calhoun referred to Cooper as the Socrates of Nullification (implying that Calhoun was the Plato or Aristotle). In a pamphlet of 1794, Cooper would recommend that emigrants not settle in the South both because of the hot climate and because of slavery:

. . . the stile of farming is more slovenly, the individuals are more idle and dissipated, and the progress of public improvements in general, more slow than in the states on the northern side.--I have no doubt the climate contributes something to this indolence of disposition; but where labour is confined to slaves, who do not benefit in proportion to their industry, and where the white inhabitant regards himself as a different and superior being, the general state of improvement must be affected . . .¹¹⁰

But by the 1820's, Cooper's tune had changed, not only by one who taught economic theory, but who had experienced Manchester at first hand as a partner in a factory:

. . . the effect of machinery may be and I know it is, to increase the wealth and comfort of society, but it is bought at a price, that those who know the manufactures of England, would hardly consent to pay for it in this happy country. Its operation is to accumulate riches in a few hands--to raise up the proud and insolent aristocracy of wealth, and to render the dependent operative, machines and slaves to their employers.¹¹¹

Cooper here identifies majority rule with mere monopoly. Comparing English protection of wool manufactures goes back to Edward III, therefore congress is trying force us back into

¹¹⁰ Thomas Cooper, "Thoughts on Emigration", London 1794, pp. 12-13. [Copied from the Rare and Manuscript Collections, Carl A. Kroch Library, Cornell University, Ithaca University, Ithaca N.Y.].

¹¹¹ Dr. Cooper On The Tariff, p. 11.

'the policy of the dark ages'.

"Will you call upon me to shew that the very bond and spirit of our American union, is equality of rights, equality of laws, equality of burdens, equality of taxes, equality of protection? That in the eye of the law, one citizen is as good as another?"¹¹²

Cooper here appeals to a liberal equality before law which presumes and supports inequality in fact.

Calhoun, in contrast, a politician, not an academic, did not pepper his writings with footnotes that cite his intellectual influences, but Calhoun's intellectual forebear in Nullification, Thomas Cooper, was an academic and did cite his sources, which in economics were Adam Smith, Thomas Malthus, and most especially, David Ricardo. Cooper, an intellectual jack of all trades, and master of none, never wrote a single justification of minority veto, only pamphlets and articles. Nullification, in other words, combined odd elements of Federalism and Southern Jeffersonian political thought with English radicalism and the self-interest political economy of Smith, Malthus, and most especially Ricardo. Cooper never published his views in one place and sought influence through direct teaching in South Carolina College, his writings remained of South Carolina interest; even the journals of the day had difficulty getting copies. Originality to Cooper; but Calhoun's greater political talents left him the statewide and national leader of nullification, as well as the expositor of the Doctrine as a finished text of

¹¹² Ibid, p. 11.

political philosophy.

Cooper also began to move away from the labour theory of value, that that none of the product of production should go to labour. His Lectures on the Elements of Political Economy did not attempt to rise above the textbook level (he had hoped for a best-seller) remains rather basic and eclectic, but also has the honor of being the first association of economics with unanimity rule. In the Lectures, Cooper, for example, pointed to Irish subsistence as empirical proof of Malthus' doctrine.

The President of South Carolina college was teaching students nullification and secession from the 1820's on; even before the Civil War, Cooper was being referred to as the schoolmaster of secession. It is perhaps not so curious that economists would later adopt Nullification, for Cooper's version was in economic terms.

In the 1820's, we might notice, there were four major schools of academic economics in America, each with a distinct ideological and sectional base: the New England 'clerical' school, which combined sectarian religious teachings with a New England appreciation for foreign trade and commerce; the protectionist school of Matthew Carey and Franz List, centered in Pennsylvania; the Jeffersonian school, which favored policies to help the yeoman farmer while restraining large concentrations of capital with tight money policies; and an offshoot of the Jeffersonians, the pro-slavery Southern school of Economics centered around Thomas

Cooper and Thomas R. Dew. It is from Cooper and this Southern strain of economics that Nullification doctrine originally grew, and from which Calhoun developed his doctrine.

Cooper was the first full-time academic lecturer on Economics in the South, and probably the nation (Malone); his Lectures on the Elements of Political Economy (1826),¹¹³ a textbook intended for undergraduates developed from his lectures at South Carolina College. Cooper began with Smith and Ricardo, then stated that the next step in the advancement of this science was Malthus: poverty was due entirely to overpopulation, which grew arithmetically, while subsistence only grew at geometric rate; and that therefore, (just as welfare is criticized now, before the rise of 'big' government, the same things were said of charity).

. . .the most efficient remedy for the evils of poverty, and the only effectual remedy for the evils of poverty, and the only effectual substitute for poor laws, rested with the poor themselves, in avoiding marriage
 . . Hence also, all the money expended in poor rates, and charitable contributions operates only to the increase of poverty, misery, disease, and vice; and would afford more effectual relief to the poor, if saved, accumulated, and expended in the form of Capital which would furnish employment, instead of fostering thoughtlessness, idleness, imposition, and dissipation. Money given in Charity therefore, is for the most part, worse than thrown away.

Tried to convince Jefferson that Malthus was right; Jefferson's reply was that Malthus could not apply to America for some time, if ever.

¹¹³ Thomas Cooper, Lectures on the Elements of Political Economy

Cooper, however, kept political science and political economy separate. In a pamphlet of 1827 he reprinted an essay of 1787 with a new one of 1826, to show the continuity, as he saw it, of his views in the near 40 years since he was first openly and professedly before the British public as a Republican. Cooper also stated his own background in Milton, Harrington, Sidney, Locke, Price, and Priestly, as to the rights of the people, but with the reservations that Continuing on, Cooper wrote,

My essay was two years antecedent to Paine's Rights of Man; a book much vilified, never refuted. I remember the sensation it occasioned on its first appearance in London, and I shall never forget it. Every reader started at the bold and fearless truths it contained, and the bold and fearless manner of putting them. All readers did not approve of the work; no wonder; but it made every reader a thinker, whether he approved of it or not".¹¹⁴

The liberal left, had shown him the power of ideas, and its stimulus to thought, but, Cooper warned, "They contained assertions and propositions, neither self-evident nor proved", and "none of them contained a series of consecutive reasoning, where one thing was proved, before another was asserted".

Another element in understanding Calhoun is his sparse, logical, and deductive style, much in the metier of utilitarian thought. Calhoun's system appears to be strictly logical, but that is its intent: rigorous-looking deduction from dogmatic 'intuitive' assumptions are used to conceal

¹¹⁴ Thomas Cooper, Two Essays 1. On the Foundation of Civil Government: 2. On the Constitution of the United States, with an appendix on British opposing Columbia 1826; Da Capo Press Reprint Edition 1970, p. iv.

political philosophy. The gaps do not appear unless one is philosophically informed and prepared to question the reasonableness of the original assumptions.¹¹⁵ In his first assumptions, Calhoun is an example of what Aristotle called an enthymeme, a rhetoric, which tries to appeal to common sense; Calhoun then deduced his theory down from these intuitive facts. On the seductive appeal of Calhoun's Doctrine to common sense there exists a reminiscence published in 1882 by a retired congressman who recalled Calhoun's advice to him as "a young and inexperienced member of Congress" in 1844:

[Calhoun] . . . invited me to his residence one evening, and he had me alone . . . I overtook Col. Benton [Senator from Missouri 1821-1851] on my way home; and when he had ascertained where I had been . . . he became extremely violent, averring that he would tell me every word that Calhoun uttered. He said it was Mr. Calhoun's custom to procure interviews with young men, and instill into their minds the seeds of secession, nullification, and treason

Mr. Calhoun spoke like a college professor demonstrating to his class Starting with the most plausible premisses, he would carry you irresistably along with more plausible reasoning until you would be puzzled to know how much back-track it was indespensibly necessary for you to take to avoid conclusions which would make it difficult to tell the difference between your views and those of a South Carolina secessionist.¹¹⁶

Calhoun would begin writing the Disquisition shortly thereafter.

¹¹⁵ See Louis Hartz, The Liberal Tradition in America, pp. 158-165; and Baskin, op sit. The slight of hand goes back, not only to Bentham, but to Hobbes. See Leo Strauss, Hobbes, op sit; and Norman Jacobson, Pride and Solace, op sit, pp. 51-92.

¹¹⁶ (1882; cited in Coit 1970, p.78-9)

But, as Calhoun confided to a protégée, the real cause behind "The Exposition and Protest" and the real issue at stake in the attack on majority rule was not tariffs but the peculiar institution of slavery:

I consider the Tariff, but as the occasion, rather than the real cause of the present unhappy state of things. The truth can no longer be disguised, that the peculiar domestic institutions of the Southern States, and the consequent direction which that and her soil and climate have given to her industry, has placed them in regard to taxation and appropriation in opposite relation to the majority of the Union . . .¹¹⁷

Look up letter--interest?

Another leading South Carolina nullifier, James Hamilton, Jr., a student of Cooper's and a colleague of Calhoun, was even more open about why the South should base her case on Nullification, free trade and constitutional rights. As he explained the Nullifier cause to perplexed Unionists in South Carolina:

I have always looked to the present contest with the government, on the part of the Southern States, as a battle on the outposts, by which, if we succeeded in repulsing the enemy, the citadel would be safe.

The same doctrines 'of the General Welfare' which enable the general government to tax our industry, for the benefit of the industry of other sections of this Union, and to appropriate the common treasure to make roads and canals for them, would authorize the federal government to erect the peaceful standard of servile revolt, by establishing colonization offices in our state, to give their bounties for emancipation here, and

¹¹⁷ Calhoun, Letter to Virgil Maxcy, Sept. 11, 1830, in Calhoun Papers , cited in Freehling, op sit, p. 257.

transportation to Liberia afterwards.¹¹⁸

. . . we are prepared for resistance--even to disunion--without recollecting that of all questions, this [i.e. slavery] is the last on which the South ought to do battle; that however we might be united at home, we should have few confederates abroad--whereas on the subject of free trade and constitutional rights, we should have allies throughout the civilized world . . .¹¹⁹

Later, when Calhoun put the Doctrine of the Concurrent Majority into its final form in the Disquisition, he gave it more of the form of sociological methodology rather than political economy--perhaps because in time blaming the tariff simply didn't wash. Further, the social science form the Disquisition takes would not have been known until Comte's work in the 1830's and 40's. One of the most unappreciated aspects of both the Exposition and Protest and the Disquisition is that they were both posed in the form of the cutting edge social sciences of the day.

¹¹⁸ Hamilton here refers to the possibility of Federal support for the American Colonization Society, the conservative and ineffectual wing of abolitionism, which sought to liberate slaves and settle them in Liberia. Presidents of this society included Madison and Monroe. Though the Society's plans were never practicable, its very existence implied that slavery was somehow radically flawed; the Nullifiers, as this passage suggests, saw the ineffectual Society as the opening wedge for abolitionism and slave revolt.

¹¹⁹ James Hamilton, Jr., Letter to John Taylor et al, Sept. 14, 1830. Partly reprinted in William R. Freehling, The Nullification Era, A Documentary Record, pp. 100-101.

Curiosity of self-interest

But though Calhoun based his science of politics on self-interest, all but the most hostile of observers have characterized his personal behavior as stainless. Some have even characterized him as an advocate of the aristocratic ideal, willing to sacrifice his ambition, his health, and his life for his principles. Of his self-assertive selflessness there are many examples, of which a few may be adduced here. Like most American elected officials, Calhoun sacrificed his family's finances throughout long years in public life. During the post-war election of 1816, the greatest pay raise rebellion in American history, in which half the Senate and two-thirds of the House either resigned or were unelected, Calhoun went home and told his district that the pay raise was necessary to attract and keep competent men in office (he was re-elected easily). Returning to Washington, Calhoun pointed recounted Edmund Burke's "Letter to the Electors of Bristol" on the House floor on the need for independent judgement in legislators, urging the chastised House to keep the pay raise-though to no avail, of course.¹²⁰ When Calhoun penned the

¹²⁰ As Calhoun was reciting a classic in political theory on the subject of self-interest, a word might be in order.

Burke, the great Anglo-Irish British parliamentarian and political thinker, was a notable supporter of the grievances of the American colonies, assisting Benjamin Franklin in his mission to Britain, and later supporting the Revolution in the House of Commons.

One cost of the Revolution for all sides was a massive

Exposition and Protest in 1828 and then resigned from the Vice Presidency in 1832, he knew he was throwing away the Presidency (under the first party system, Vice Presidents often succeeded to the Presidency). When he returned to Washington in 1833 as Senator from South Carolina in the midst of the South Carolina secession, Calhoun faced down the country at large, headed by an enraged President Jackson, who had talked of hanging him for treason--and Andrew Jackson did not speak lightly of such things.

Yet despite the general verdict of historians that Calhoun was a man of some high principle, in Calhoun's own day his political opponents commonly supposed that his many political swervings in service of his cause were motivated by some unfathomable but diabolical motive of self-interest.¹²¹ Perhaps there is something poetic in this, but Herman Von Holst viewed Calhoun's commitment to slavery as a tragedy of the highest magnitude:

A man endowed with an intellect far above the average,

disruption of trade, and the seaport city of Bristol was thrown on economic hard times. Bristol, acting in its economic self-interest, supported peace under any terms whatsoever. Since Burke was the most vocal leader for reproachment with America in Parliament, electors from Bristol convinced him to stand for election in the district and he won. Over the course of his 7 year term, however, Burke repeatedly refused to visit Bristol or to introduce any legislation on its behalf. Bristol did not re-elect him, and Burke replied with his famous letter denouncing self-interest as a principle of Government. The most famous lines read:

¹²¹ See, for example, the reaction of Henry Clay to Calhoun's reliance with the Democrats in 184 .

impelled by a high-soaring ambition, untainted by any petty or ignoble passion and guided by a character of sterling firmness and more than common purity, yet, with fatal illusion, devoting all his mental powers, all his moral energy and the whole force of his iron will to the service of a doomed and unholy cause, and at last sinking into the grave in the very moment when, under the weight of the top-stone, the towering pillars of the temple of his impure idol are rent to their very base--can anything more tragical be conceived? (Von Holst 1882: 1).

While Calhoun claimed that men are moved primarily by self-interest, he was moved by ideology. Evidence that contradicted his deductions was discarded for what 'really' underlay appearances. When Calhoun saw majorities, he saw chaos, arbitrary oppression, and looming dictatorship. When he saw men moved by common ideas and public purpose, he saw only irrational fanaticism, since in his view only individual selfishness could be rational. In this, as one observer has pointed out, Calhoun was a political pluralist:

All a pluralist system can do is to deny that "ideological" conflicts (as they are called nowadays) do exist. Those conflicts, a pluralist must assert are fundamentally either struggles for naked power or friction between interest groups which could be resolved if only the quarreling parties sat down around a conference table. Perhaps, the most perfect, because most naive, expression of this belief remains the late General Patton's remark that the Nazis were, after all, not so very different from Republicans and Democrats. (Calhoun, while less naive, was just unable to understand the reality of "ideological" conflict in and around the slavery problem).¹²²

Those mesmerized by the liberal politics of interest may see fanatics only as unappeased interests, or contrarily, the moral claims of programmatic groups only as a thin cover for

¹²² Drucker, "Calhoun's Pluralism", pp. 418-19.

some essential underlying selfishness.¹²³ Calhoun could see in the abolitionists only fanaticism because they did not operate according to the 'rational' dictates of interest. Like Hobbes criticism of religious groups in politics as insane, Calhoun thought the same of religious groups favoring abolition.¹²⁴ Abolitionists were irrational, having no interest at all in slavery.¹²⁵ Of course many abolitionists were extremists (with much justice, one might add), and there was a danger of northern domination of the south, but when Calhoun looked across America and across the floor of the Senate, he saw only looming chaos, imposition, and dictatorship as a majority consensus began to form against the further spread of slavery.¹²⁶

Calhoun's defenders tend to ignore or play down his stand on slavery and inequality, or to see them as inconsistent with

¹²³ See, for example, Morris Fiorina 1977: 80-81, on the Urban League.

¹²⁴ The political philosopher will recognize this view of altruism as Hobbesian of course. See Thomas Hobbes, Leviathan. For a similar reading of the limits of selfish rationality in explaining abolitionism, see Douglas C. North,

¹²⁵ The association of rationality and self-interest aside, Calhoun does grasp here the tenuousness of the intellectual connection between abolitionist and slave: the abolitionists were only mesmerized by the conflict between slavery and liberty, and after abolition most turned their backs on the underlying problems of equality and race in America.

¹²⁶ See the "Speech on the Reception of Abolition Petitions", Calhoun 1992 [18]: 463-476; "Speech On The Introduction Of His Resolutions Of The Slave Question", in op sit, pp. 513-521.

his basic doctrine; they celebrate his understanding of and emphasis on liberty, consent, the protection of minorities, and the right to resist. His current admirers also often characterize the Doctrine of the Concurrent Majority as a scientific work.

He understood liberty; he ardently defended it; and he spoke of it in a language and within a culture that are genuinely American. The defense of minority rights against the abuse of an overbearing majority, the cause to which he untiringly devoted himself, has rejoined constitutional discourse as a tenet of contemporary American politics . . . He reveals a bold new understanding of the science of politics.¹²⁷

Another biographer sees Calhoun's Doctrine of perennial interest, concerning the "right of people to control their own lives" and recommend it to "advance the cause of liberty around the world".¹²⁸

Calhounism, this is to say, cannot be fully accounted for purely in terms of a left/right ideological spectrum. While most of Calhoun's defenders would be counted on the ideological right, his call for resistance and the empowerment of minorities has often appealed to those on the left. Indeed, up until the South Carolina Secession, Calhoun would have been

¹²⁷ Ross Lence in Calhoun 1992, pp. xxiii, 3). This view is seconded by many other leading Calhoun scholars. See Wiltse 1937: 396-408 and 1941: 210-223; Coit 1952: 194, 201, 208; Wilson 1992 ; Kirk 1986: ; Kuic 1983: 482-486.
QUOTE ALL

¹²⁸ Irving H. Bartlett, John C. Calhoun, 1993 W.W. Norton, p. 383. Bartlett warns us not to judge Calhoun's stand on slavery too harshly since both his and our views on slavery are only the product of time and place. Most of the reviews in the historical literature appear to agree.

counted as a progressive. Calhoun's father Patrick Calhoun was a sort of populist leader of upcountry farmers against the lowland plantations. As a student at Yale, Calhoun boldly opposed the Federalists who ran and taught at the college, and had visited a Jeffersonian newspaper editor imprisoned by Federalists under the Alien and Sedition Acts. As a young man Calhoun visited President Jefferson with great enthusiasm, and began his political life as a Jeffersonian Democrat. Calhoun family legend had it that he visited Jefferson again in the 1820's and got his blessing for Nullification--there is no hard evidence for this, but however apocryphal the story is important for the perception of Calhoun's immediate family, who saw him as a Jeffersonian.¹²⁹ Calhoun, we should remember, was not only a Democrat, but Vice President under Jackson and for a time the seeming heir apparent. Even later, after his break with the Democracy, Calhoun never felt comfortable amongst the Whigs, the party of property and of most southern plantation owners. Calhoun kept South Carolina one party, nullifier and Democrat, isolating the state's Whigs--it was for States Rights and a solid South that Calhoun stood, and of which he is philosophical architect.¹³⁰ Interestingly, to the

¹²⁹ Calhoun's correspondence with Jefferson is friendly, but for the most part formal (see . Calhoun's early penchant for the War of 1812, the Tariff, and internal improvements was part of the blending of Jeffersonianism and Hamiltonianism of the Era of Good Feelings.

¹³⁰ See Current 1943, Coit 1950 Calhoun first proposed a one-party South in 1831? (Calhoun [1831]), his reasons are

extent that Calhoun had northern defenders in his own lifetime, it was on the left, such as Orestes Brownson, the loco focus and labor leaders of New York State. (Schlesinger 1945). Of late, the most notable public advocate of Calhoun's ideas has been the nominee of the Clinton Administration for the Civil Rights Division of the Justice Department, Lani Guinier.¹³¹

Calhoun's emphasis on consent and inclusion among representatives, however, is central to his desire for private inequality which he wanted to protect against public judgement and action. Calhoun's favorite historical examples of rule by the concurrent majority, the republican governments of ancient Rome and of seventeenth and eighteenth century Poland, are telling, as they were meant to be: the institution of the Roman tribunate bought off plebeian resistance to aristocratic rule; Poland's liberum veto protected an oligarchy of rich

made explicit in Calhoun 1837. The plan was more than academic; in 1844 Calhoun's delegates, along with those of Senator Walker of Miss. were instrumental in putting a two-thirds rule into the Democratic party nomination rules. Historians have naturally emphasized Calhoun's association with States Rights and the one-party South; we only mention them in passing, as they are only hinted at in the Disquisition, which is a theoretical and not applied work. Calhoun's doctrine of indivisible sovereignty to the states (the best discussion of which is still Charles Merriam's) is in tension with both the individualism and the ad hoc character of interests granted the veto power in the Disquisition.

¹³¹ See Gigot 1993: 14. Guinier is preceded by a suggestion in Walton 1971?, who finds Calhoun a predecessor of the Reverend Martin Luther King Jr.(!). For a different view, see King 1968: 73.

landowners jealous of any limits on their prerogatives.¹³²

Calhoun feared (rightly) that if northern majorities were allowed to legislate on the subject of slavery in principle, they would eventually move from limiting slavery's expansion to abolishing it altogether, and he made it the southern prerogative to keep any and all discussion of slavery out of Congress. His attack on majority rule is based on a similar exclusion, but by redefining the language. The Doctrine of the Concurrent Majority is deduced almost entirely from Calhoun's denial of the principle of public judgement of the public good, for to admit the notion of the public good as a subject fit for rational deliberation would make slavery a legitimate object of discussion.¹³³ By relegating debate about justice to the mere arbitrary emotions of differing private individuals, and arguing that public judgement about justice should be excluded as unscientific, arbitrary, the mere tool of interest, the opening wedge of absolutism, etc., Calhoun could rule out public discussion of the justice of slavery and then argue that the southern 'interest' had as much right to defend its interest as any other. Against those who saw tariffs as only marginal compared to the structural problems of the

¹³² Calhoun 1992: 54-55, 77-78. The veto of the Roman tribunate is characterized as admirable and "rational" by Brown : 466. James Madison, on the other hand, characterized the Polish liberum veto as the worst combination of oligarchy and monarchy imaginable (Fed. #37, p.).

¹³³ (Jeffrey?, unpublished doctoral dissertation, 1985, is very good on this).

southern slave economy (still the authoritative view among economists; see North 1961), Calhoun replied contemptuously "Who would tell us of our interest?" . If only interests can judge of their own interest, then one could forbid all discussion of legitimacy or justice, and then defend the southern interest: since we know that everybody is *really* self-interested, who is so elitist to judge? As Richard Hofstadter noticed, by excluding discussion of justice and the public good on its own terms, Calhounism confuses the protection of rights with the protection of vested interests.¹³⁴ Calhounism rests on a fault line in liberal theory: the difference between publically recognized and guaranteed rights and of privately defined and negotiated interests. Observers have often noticed the conflict between the original Framers' design and the Bill of Rights-- Conflict between Federalist Papers #10 and the Bill of Rights.¹³⁵ Calhounism, in part an altered version of Federalist Papers #10 and #51.

¹³⁴ Hofstadter, *The American Political Tradition*, p. 91.

¹³⁵ See Sheldon Wolin "Revolutionary Action Today" Democracy (Fall 1982, vol.2, no.4), on the conflict between liberal rights doctrine and liberal politics. politics a threat to

defender of rights or balancing of interest groups; prob of public good and constituency. Notice also that for Wolin the problem of interest group politics is as much one for the left as for the right, vis a vis left Calhounians Guinier.

V.

Up until 1837, Southerners had defended slavery as a necessary evil--the argument that slavery must be continued on the grounds of self-preservation. In early liberal thought, self-preservation of course is the alpha and omega, and southerners considered its innovation as something of a show stopper; once self-preservation was invoked, there was nothing else to be said. As Jefferson wrote, the south had the Tiger by the tail, and the tiger he was referring to wasn't slaveowners. This wasn't entirely rationalization however. Slave revolts in Santo Domingo and mass slaughter; the Denmark Vesey conspiracy planned similar massacres in South Carolinian SC--a revolt nipped in the bud when several slaves, horrified by the plans for a general massacre of all white men, women, and children. Revolt planned by free blacks, who could move around freely, organize more easily, and who had access to written abolitionist writings. Vesey himself apparently cited not only the Declaration of Independence's claim that all men are created equal, but also appealed to proposals in the Senate by Rufus King to abolish slavery.

Individual states proposed plans for the gradual abolitionism of slavery. The Ohio legislature for example, proposed a plan for a gradual emancipation of slaves by having the Federal Government buy their freedom with the proceeds of tariffs and the sale of western lands (a proposal seconded by

several other state legislatures), but it only caused revulsion south of the Mason-Dixon line.

At the same time however Calhoun became the first public figure of note to argue publically that the slavery interest was all to the good, whereas for the most part southerners had formerly defended slavery as an unfortunate but necessary evil. When Calhoun began his defense of slavery as a positive good on the Senate floor in 1837, he was accused by Senator Rives of Virginia of being an adherent of Filmer (apparently without the help of staff). The Senate report of the proceedings related Calhoun's surprised and indignant denial:

He [Calhoun] utterly denied that his doctrines had anything to do with the tenets of Sir Robert Filmer, which he abhorred. So far from holding the dogmas of that writer, he had been the known and open advocate of freedom from the beginning. Nor was there anything in the doctrines he held in the slightest degree inconsistent with the highest and purest principles of freedom.¹³⁶

Calhoun's purpose was of course to destroy the moderate southern position and to drive southern representatives to defend slavery and Nullification unapologetically.¹³⁷ Rive's charge that Calhoun was a follower of Filmer is subtle; Calhoun had been known to denounce majority rule as Filmer's theory of the divine right of kings now transformed into the divine right of majorities, and had defended slavery as a

¹³⁶ See the "Speech on the Reception of Abolition Petitions", Feb. 6, 1837, in Calhoun 1992: 468-469. The exchange occurred, of course, in the old Senate Chamber.

¹³⁷ William J. Cooper, The South and the Politics of Slavery, 1828-1856, 1978 Louisiana State University Press, esp. pp. 103-118.

happy medium between the savagery of the primitive condition and the savagery of the capitalist labor market.

But Calhoun's surprise at being classed with Filmer appears genuine, and his thought was in more of a utilitarian mold. Arguing on the Senate floor about the admission of new non-slave states in the "Speech on the Oregon Bill" (1848), Calhoun argued that a number of factors were leading the nation to disunion: blamed a number of factors for the coming dissolution of the nation.

Actually however Calhoun thought in more of a utilitarian mold. Arguing on the Senate floor in the "Speech on the Oregon Bill" (1848) that the further admission of free northern states would lead to the dissolution of the Union, Calhoun blamed a number of factors for the nation's predicament: the Ordinance of 1787 and the Missouri Compromise of 1820, which left the north free of slavery; the rise of abolitionism; and the philosophical proposition that "all men are born free and equal", which with he proceeded to take issue:

Taking the proposition literally (it is in this sense understood), there is not a word of truth in it. It begins with "all men are born", which is utterly untrue. Men are not born. Infants are born. They grow to be men. And concludes with asserting that they are born "free and equal", which is not less false. They are not born free. While infants they are incapable of freedom, being destitute alike of the capacity of thinking and acting, without which there can be no freedom. Besides they are necessarily born subject to their parents, and remain so among all people, savage and civilized, until the development of their intellect and physical capacity enables them to take care of themselves. Nor is it less false that they are born "equal". They are not so in any sense in which it can be regarded; and thus, as I have asserted, there is not a word of truth in the whole

proposition, as expressed and generally understood.

If we trace it back, we shall find the proposition differently expressed in the Declaration of Independence. That asserts that "all men are created equal". The form of expression, though less dangerous, is not the less erroneous.¹³⁸

Calhoun then went on to trace this logical 'fallacy' back before the Declaration:

If the proposition be traced still further back, it will be found to have been adopted from certain writers on government who had attained much celebrity in the early settlement of these States, and with whose writings all the prominent actors in our revolution were familiar. Among these, Locke and Sydney were prominent. But they expressed it very differently. According to their expression, "all men in the state of nature were free and equal". From this the others were derived; and it was this to which I referred when I called it a hypothetical truism.¹³⁹

Calhoun knew what he was talking about in this distinction between equality in the state of nature and nominal equality before the law. In effect, Calhoun was arguing that Jefferson misread the extent of Locke's egalitarianism, and that what we would now call the liberal tradition is not so egalitarian as

¹³⁸ "Speech on the Oregon Bill", Calhoun 1992: 565-6.

¹³⁹ Calhoun 1992: 566-7. Calhoun refers to John Locke, Two Treatises of Government, and Algernon Sidney, Discourses Concerning Government. Along these lines, see Thomas Jefferson's list of the texts to be assigned and 'the principles of government to be inculcated' at the University of Virginia: "as to the general principles of liberty and the rights of man, in nature and in society, the doctrines of Locke, in his 'Essay concerning the true original extent and end of civil government', and of Algernon Sidney in his 'Discourses Concerning Government' may be considered those generally approved". . . The Declaration of Independence, as the fundamental act of union of these States . . . The book known by the title of 'The Federalist' . . . The Resolutions of the General Assembly of Virginia in 1799 on the subject of the alien and sedition laws", and the 'political lessons' of Washington's farewell address.

some rhetoric might suggest.

Richard Hofstadter: Calhoun could be guilty of terrible logic chopping and traced his political philosophy to slavery.

"Calhoun, of course, was a slavemaster . . . His neighbors testified that he was kind to them, and by the lights of his section and class there is little reason to doubt it. But the only record of his relation to a slave suggests that kindness to slaves was a mixed guilty in the South. In 1831 a house servant, Aleck, committed some offense to Mrs. Calhoun, for which she promised a severe whipping, and he ran away. When he was caught in Abbeville [the neighboring village] a few days later, Calhoun left instructions with a friend:

'I wish you would have him lodged in jail for one week, to be fed on bread and water, and to employ some one for me to give him 30 lashes well laid on at the end of that time . . . I deem it necessary to our proper security to prevent the formation of the habit of running away, and I think it better to punish him before his return home than afterwards'.

The case of Alex and the 'thirty lashes well laid on' does more for our understanding of the problem of majorities and minorities than all Calhoun's dialectics on nullification and the concurrent majority".¹⁴⁰

Politically, Calhoun's attack on the Declaration in the Oregon speech was a calculated political move to force a national decision over the future of slavery, by forcing southern

¹⁴⁰ Richard Hofstadter, The American Political Tradition, "Calhoun: The Marx of the Master Class", pp. 97-98. Since Hofstadter's chapter on Calhoun remains the most influential, something more should be noted here. While at certain times Hofstadter dismisses Calhoun as mere pro-slavery metaphysics, he also states the following: "It is true that Calhoun superbly formulated the problem of the relation between majorities and minorities, and that his work at some point may have the permanent significance for political theory that is often ascribed to it" (p.115). Hofstadter is actually of two minds which he never really resolves: as concerns Calhoun's formulation of the problem of majorities and minorities, should we look to the Doctrine of the Concurrent Majority *prima facie* or to the 'thirty lashes well laid on'?

moderates into the nullifier camp and presenting the North with a unified stand. While Calhoun thereby became the first national figure to openly attack the Declaration, he was only giving voice to a long held plank of the South Carolina Nullifier canon. Attacking the Declaration was a long time stock in the Nullifiers' trade, part of the original package, starting with Thomas Cooper's Lectures on Political Economy.¹⁴¹

¹⁴¹ Cooper's Lectures on the Elements of Political Economy, is the synopsis of the Economics he taught at South Carolina College in the 1820's and 30's. In the final chapter "Of the Distribution of Wealth", Cooper wrote the following:

"All men are said to be 'born free, equal, and independent' [ital]. I know of no sense in which this ever was, or is, or can, or will be true.

Is a pulling infant born free? If so, in what sense do you use the word? Leave him free from despotic control for a few hours, and he dies.

Are all infants born equal? Equal in what? In size, in health, in strength, in mental capability? Can it be truly asserted that any two infants from the beginning of time to the present day, ever were born exactly equal in any of these respects? Does Nature make no differences?

Independent [ital]; of what and of whom? Does not the very existence of an infant depend each moment, on the fostering care of others?

At what time do they become free, equal, and independent? At the age of 21 or of manhood? Are they not every where, have they not at all times, and will they not ever be dependent on, subject to the control of the community of which they happen to be members? Are any two men equal in strength, or in mental capacity, or in education? Do the various circumstances to which two persons are liable to be exposed, make no difference between them? A child for instance, educated to the age of 30, among the priests of Jaggernaut, and another among the Scavans of Paris, or the Quakers of Philadelphia? Why then do we use these vague and unmeaning terms; or if they have a meaning, what is it but a false one? Nature has denied that they ever were or ever can be true

. . . I say the law of nature, is that law which pervades all nature; the law of the strongest. No man has any rights but such as depend on his relative force of body or force of mind. The universal law of nature is, the law of force".

. . . what then is right? That which is ordained, commanded, directed--or according to Horne Tooke's just notions, rectum, directum, from regere dirigere [all Latinate ital]. All of which would be as void of meaning as of use, unless accompanied by the power, the force of society; which superseding and controuling individual force of the society This power or force, is what jurists call the sanction of the law; and they agree that a law is nugatory unless thus sanctioned. Always recurring of necessity to this primary law of nature, the law of the strongest I know of no natural right, but the right of the strongest." (pp. 360-362).

Cooper also claims that "The only sound rule of public conduct, is public expediency, public utility, the greatest good of the greatest number . . .', cautions "This will include the acknowledgement and protection of rights in the minority" (p.362), attacks the principle of majority rule and invokes state sovereignty, state rights, and the ability to withdrawal peaceably from the Union (p. 365), a.

In much of this, Cooper is clearly referring to Bentham, not only in the reference to Tooke, an associate of Bentham's, but in the phrases 'sanction', and 'greatest good of the greatest number'. In his , which works dealing more directly with law, Cooper writes:

Bentham's version of rights, which Cooper is following, is as follows: "Men [all men] are born and remain free and equal in respect of rights":

"All men are born free? All men remain free? No, not a single man: not a single man that ever was, or ever will be. All men, on the contrary, are born in subjection, and the most absolute subjection--the subjection of a helpless child to the parents on whom he depends every moment of his existence. In this subjection every man is born--in this subjection he continues for years--for a great number of years--and the existence of the individual and of the species depends upon his so doing".

"All men born free? Absurd and miserable nonsense! When the great complaint--a complaint made perhaps by the very same people at the same time, is--that so many men are born slaves. Oh! but when we acknowledge them to be born slaves, we refer to the laws in being; which laws being void, as being contrary to those laws of nature which are the efficient cause of those rights of man that we are declaring, the men in question are free in one sense, though slaves in another;--slaves, and free, at the same time:--free in respect of the laws of nature--slaves in respect of the pretended human laws,

Powers as an unnecessary irrationalism.

of powers (see anti-Senatica), Cooper went in the other direction, by expanding checks and balances between majoritarian institutions to Nullification and secession.

Vis a vis Rive's charge that Calhoun was fundamentally a follower of Filmer, it should be noticed Calhoun's position was actually quite up to date with the latest thinking on rights. In Calhoun's day Enlightenment ideas of rights were becoming passe' as unscientific and philosophically naive, and were being replaced by more competitive, Darwinian notions of what men are and so how they ought to treat one another. Calhoun's denial of the existence of the state of nature also put him in a position to deny the equality of man in the name of science.¹⁴² Noticeably, the Benthamites/Nullifier attacks on

which, though called laws, are no laws at all, as being contrary to the laws of nature".

This passage is from Jeremiah Bentham's attack on the French Declaration of Right in Anarchical Fallacies (1843). the Abbe' Sieyes' rendition of the French Declaration of Rights, Rousseau's lament that men are born free but are everywhere in chains, abolitionists, etc. While Anarchical Fallacies was published posthumously in 1843, Cooper was familiar enough with the tenets of Benthamism. Cooper and Bentham differ on their choice of electoral system, Bentham adopting majority rule even attacking the separation of

¹⁴² This move has often been seized by later observers to demonstrate that Calhoun was some sort of 'organic'

equality is couched in terms of empirical fact, science, and political freedom.¹⁴³

But Calhoun's open assault on the Declaration of Independence was also a case when his philosophical leanings got the better of his political judgement, for if he was hoping to force a compromise between North and South, he had made a political mistake of the greatest magnitude. Though he often threatened secession, Calhoun was more of a Nullifier than an outright secessionist, but by openly attacking the principle that all men are created equal, Calhoun not only taught the slave states to despise the Founding, but helped create a wedge issue that would decisively unite the north against the further spread of slavery. Only shortly after Calhoun's death in 1850, electoral coalitions began to form around defending the Declaration and the rights of free labor. In 1852, Abraham Lincoln would notice that

. . . an increasing number of men . . . for the sake of perpetuating slavery, are beginning to assail and to ridicule the white-man's charter of freedom--the declaration that "all men are created free and equal". So far as I have learned, the first American, of any note,

thinker, but the atomistic, conflictual assumptions that drive his thought belie this view.

¹⁴³ The current reprint of Calhoun's major writings is entitled Liberty and Union, referring to then Vice President Calhoun's encounter with President Jackson over the issue of secession: to Jackson's emphatic toast "To the Union, it must be preserved", Calhoun replied "To the Union, next to our liberties, most dear." Of course, one of the liberties to which Calhoun referred was the liberty to own slaves--today a claim likely to be seen as an absurdity, but a claim which would be a if not the central issue in a Civil War costing over 600,000 American lives.

to do or attempt this, was the late John C. Calhoun . .
¹⁴⁴

In his first inaugural address as President, Lincoln based his defense of the Union on constitutional government and majority rule, which the secessionists were calling into question.¹⁴⁵ In his first inaugural address, Lincoln argued that

. . . no organic law can ever be framed with a provision

¹⁴⁴ Abraham Lincoln, "Eulogy on Henry Clay", June 29, 1852.

Notice also the art of Lincoln's argument; while appealing to racism ('the white-man's charter of freedom'), he also chooses to defend the first of the propositions which Calhoun attacked--that all men are born free (a formulation even more pointedly at odds with slavery than that of the Declaration), as well as the claim of the Declaration that all men are created equal.

Lincoln refers to Calhoun and the South Carolina Nullifiers again on this count in the Alton Speech, October 15, 1858.

¹⁴⁵ The causes of the Civil War of course remain controversial, but consider the following editorial from the Richmond Semi-weekly Examiner of January 6, 1861, which according to Stamp 1991 'is typical of many antebellum Southern protests against the theory of majority rule':

"The law which commands obedience to the mandates of the physical force of an unrestrained numerical majority is the operative law, not only with the masses in the free States of the North, but in all communities where no divisions or orders of society are established or recognized, and where the conservative influence of domestic slavery does not supply the deficiency of restraining checks."

"The temper to acquire, the spirit to appropriate, thus unrestrained, operates under a universal law of human nature with a continuous and unremitting energy, against which plighted faith and constitutional checks will ever prove feeble and worthless defenses. There is but one defense of practical value and real efficiency: it is the ability and will of the minority to resist the action of the ruling majority". . . Cited from D.L. Dumond 1931, 1964. Notice this editorial's appeals to scientific 'law' and 'efficiency'. See also Jefferson Davis's tribute to Calhoun: "He was for me the guiding star in the political firmament" . . . (Davis 1888: 116).

specifically applicable to every question which may occur in practical administration.¹⁴⁶

From questions of this class spring all our constitutional controversies, and we divide upon them into majorities and minorities. If the minority will not acquiesce, the majority must, or governing must cease. There is no other alternative; for continuing the government, is acquiescence on the one side or the other (Ibid, p. 174).

A majority, held in restraint by constitutional checks, and limitations, and always changing easily, with deliberate changes of popular opinions and sentiments, is the only true sovereign of a free people. Whoever rejects it, does, of necessity, fly to anarchy or to despotism. Unanimity is impossible; the rule of a minority, as a permanent arrangement, is wholly inadmissible; so that, rejecting the majority principle, anarchy, or despotism in some form, is all that is left (Ibid, p. 175).

By 1863 Lincoln was defending the proposition that 'all men are created equal' without the reservation of race.

In his second inaugural address, Lincoln had become more philosophical or even religious, striking an Old Testament note that all Americans must pay treasure for treasure and blood for blood for the sin of slavery. Weeks before his untimely death, Lincoln would pen a letter arguing that future politics must embrace new attempts toward equality. . . (quote letter to Thurlow Weed). Despite frequent suggestions to the contrary in the Rational choice literature, the philosophy of minority veto was unequivocally rejected, in both theory and practice, by the leaders of the early republic. Historians have long supposed that Calhoun's Doctrine was dead and buried by the outcome of the Civil War.

¹⁴⁶ Lincoln's first inaugural address, "The Momentous Issue of Civil War" (Current 1967: 174).

Chapter 4. Transition: John Stuart Mill and Thomas Hare on
Calhoun as Liberal statesman.

So how then did Calhoun's Doctrine of the 'disequilibrium' or 'inefficiency' of majority rule get into contemporary mathematical economic analysis--or were his notions simply generated unthinkingly? The evidence is that there is a direct conduit. The apparent route that brought Calhoun's Doctrine into Economics began with, of all people, John Stuart Mill and Thomas Hare.

In Considerations On Representative Government, while discussing the breakdown of the legitimacy of the American Union over the question of slavery, Mill praised both Calhoun's political leadership and his political philosophy:

One of the American States, under the guidance of a man who has displayed powers as a speculative political thinker superior to any who has appeared in American Politics since the authors of the 'Federalist' [the footnote reads * "Mr. Calhoun"], claimed a veto for each State on the custom laws of the Federal Congress:¹⁴⁷ and that statesman, in a posthumous work of great ability, which has been printed and widely circulated by the legislature of South Carolina, vindicated this pretension on the general principle of limiting the tyranny of the majority, and protecting minorities by admitting them to a substantial participation in political power.¹⁴⁸

It is incredible to find the South Carolina Nullification movement characterized simply as a laudable example of

¹⁴⁷ Mill refers to Calhoun's 1828 letter "The South Carolina Exposition and Protest", and by implication, South Carolina's threat to secede in 1832.

¹⁴⁸ John Stuart Mill, Considerations On Representative Government, 1861, p. 315.

'participation', or of limiting the 'tyranny of the majority'. But what is perhaps most striking about this passage is that it was published in 1861, as the American Civil War broke out, and that it remained unrevised through the third, 1865 edition, published as that war raged to its close.

Mill's admiration for Calhoun was seconded by Thomas Hare in A Treatise on the Election of Representatives (1859), the founding book of proportional representation. Hare began the Treatise by using Calhoun's Doctrine to lay out the general problem of the relation between majorities and minorities, as instanced in the 'uncontrolled' 'absolutism' of majority rule in America:

With regard to the character of government by a numerical majority, it is useful to listen to republican statesmen. Mr. Calhoun, who occupied at different times some of the highest offices in the government of the United States, and who studied American institutions with the aid of long experience, employed his latest hours and his most elaborate efforts, in a work designed as a warning against the dangers of that absolutism which would result from committing the destinies of the country to the uncontrolled government of the numerical majority.¹⁴⁹

Hare then went on in the Treatise to quote and Calhoun repeatedly and at length as a chief authority on majority rule (just how extensive will be recounted below).

Though Mill and Hare did not favor outright minority veto, their purposes in recommending Calhoun's ideas to their readers are of interest in understanding the larger appeal of

¹⁴⁹ Thomas Hare, Treatise on the Election of Representatives [1859], Longman Green, p. 4.

Calhounism to liberal thought, as well as to the transmission of Calhounism to economic analysis. These passages turn out to be indicative of Mill and Hare's larger views on economics, America, and representative government. We will begin our investigation with Mill's letters, which reveal his personal reactions to the Disquisition and the Discourse.

II.

After Calhoun's death in 1850, the General Assembly of South Carolina printed and distributed his collected Works, making the Doctrine of the Concurrent Majority accessible to the world at large.¹⁵⁰ Mill received a free copy of volume I (which includes the Disquisition, the Discourse, and the "South Carolina Exposition and Protest") courtesy of the State of South Carolina.

In the following excerpt from his letters, dated Jan. 29, 1854, Mill, having recently returned from a holiday on the continent, tells his wife, Harriet Taylor Mill, of receiving a copy.

I have never yet told you of the books which had been sent during our absence: the chief were, a large octavo volume in black imitation of thick old binding, with the arms of the State of S. Carolina stamped on it, consisting of a treatise on Government & on the Constitution of the U. States by Calhoun, with a printed paper bound into it saying that it was presented by the Legislature of S. Carolina under whose direction it has been published & who had passed a resolution authorizing the Library Committees to present it 'to such individuals distinguished for science learning & public service, & to

¹⁵⁰ John C. Calhoun, Works

such libraries as they may select'. This was signed by the Chairmen of the two Com[mittees], of Senate and of H. of Representatives. I give you this at so much length that you may be able to judge, whether a letter ought to be written in acknowledgement.¹⁵¹

Three weeks later (Feb. 18, 1854) Mill related the following:

I am reading the American book, a Treatise on Government generally & on the institutions of the U. States in particular¹⁵²--it is considerably more philosophical than I had expected, at least in the sense of being grounded on principles--& the style, except in being rather diffuse, may be called severe--the writing of a logician not an American rhetorician. But there is not a word to take the writer out of the category of hewers of wood & drawers of water. He is in some ways a very inferior likeness of my father. One did not expect this in an American, but if in any, in this particular man. I will send you the draft of the letter in acknowledgement of the gift when I have written one.¹⁵³

The completed letter of acknowledgement (3rd March 1854) is reproduced here:

To The Chairmen Of The Library Committees of South Carolina:

Gentleman,--A long absence from England has made me thus tardy in offering my acknowledgments to you and to the honourable bodies over which you preside for having included me among those to whom, under the resolution of the legislature of South Carolina, you have presented copies of the posthumous work of Mr. Calhoun.

Few things can be done by the legislature of any

¹⁵¹ John Stuart Mill, Collected Works, Francis E. Mineka and Dwight N. Lindley, Eds., Vol. XIV, "The Later Letters of John Stuart Mill, 1849-1873", pp. 142-143, Letter 122, Jan. 29, 1854. In a second letter, Mill writes to his wife that the Americans should be thanked (Ibid, p. 156, Letter 128, Feb. 12, 1854).

¹⁵² Mill refers to the Disquisition and the Discourse, respectively.

¹⁵³ Ibid., p. 163, Letter 133, Feb. 18, 1854.

people more commendable than printing and circulating the writings of their eminent men, and the present is one of the many examples tending to show the parsimony imputed to the republics of the American Union is aversion to useless, but not to useful, expense. I am one of those who believe that America is destined to give instruction to the world, not only practically, as she has long done, but in speculation also; and my opinion is confirmed by the treatise which I have had the honour of receiving from you, and which, though I am far from agreeing with on all points, I consider to be a really valuable contribution to the science of government.

With the warmest good wishes for the continued progress of the United States, and hopes that they may lead the way to mental and moral, as they already have done to much political freedom, I have the honour to be, gentlemen, your most obedient servant,

J.S. Mill¹⁵⁴

In a fifth reference to Calhoun, Mill briefly thanks his wife for helping to improve the letter: "Your 'much' is a great improvement in the letter to the Americans. I thought it needed 'much' more alteration".¹⁵⁵

Not quite a year later (Jan. 13, 1855), Mill, now on vacation in Italy, relates the following odd dream to his wife:

I had a very enjoyable long night--these large Italian beds are so very pleasant--full of dreams none of them disagreeable, I remember one--I was disputing about the ballot with Calhoun, the American, of whom in some strange way I had become the brother--& when I said that the ballot was no longer necessary, he answered 'it will not be necessary in heaven, but it will always be necessary on earth'.¹⁵⁶

These short entries give us some indication at least of Mill's

¹⁵⁴ Ibid, pp. 173, Letter 138, 3rd March 1854.

¹⁵⁵ Ibid, pp. 175-6, Letter 140, March 3 [1854].

¹⁵⁶ Ibid, p. 289, Letter 212, Jan. 13, 1855.

initial reactions to Calhoun's Doctrine.

IV.

On first reaction Mill found Calhoun's writings to be surprisingly 'philosophical', 'severe', the work of a logician, not an American rhetorician, but stylistically on the level of 'hewers of wood & drawers of water',¹⁵⁷ in some ways a 'very inferior likeness' of the elder Mill. Later, Mill would have an oddly agreeable dream of Calhoun becoming in some strange way a brother. Calhoun appears to have struck Mill as something of a Benthamite.

Mill's sense here was accurate; Thomas Cooper gave Nullification Doctrine its Ricardian/Benthamite style and assumptions, beginning with the premise of individual self-interest and a commitment to a logical, deductive style of reasoning. Mill's cutting remark that Calhoun's writing abilities were on the level of hewers of wood and drawers of water might also be compared to his verdict on Benthamite analytical rigor as the "completeness of limited men", which, "after all, attained no more accuracy than is compatible with opinions as imperfect and one-sided as any poet or sentimentalist breathing".¹⁵⁸

¹⁵⁷ Those familiar with classical thought and its view of unskilled manual labour as slavish may appreciate the irony of Mill's characterization of Calhoun's powers of expression!

¹⁵⁸ J.S. Mill, "Bentham", Dissertations and Discussions, op sit, Vol. I, pp. 355-417, at pp. 414, 416,

But aside from this difference of stylistic or methodological temperament, what we find in Mill's letters are rather complementary assessments of the substance of Calhoun's thought. Mill found Calhoun's Doctrine of surprising philosophical sophistication, for an American, and especially surprising in one such as Calhoun--probably a reference to Calhoun's having spent a lifetime in elective office in America; Mill was not impressed with the quality of American elected officials.¹⁵⁹ As Mill wrote to the South Carolina

respectively. It should be noted that one of Mill's biographers, perhaps reflecting on these passages, takes quite the opposite position and admiringly classes the philosophical radicals and Calhoun together for their tough-minded logical rigour:

. . . an interesting comparison may be drawn between [John Stuart] Mill and Calhoun. . . They both begin by accepting James Mill's argument regarding representative government; they both generalize it the same way; henceforth they are both constantly pre-occupied with the problem of discovering means of qualifying or arresting the tyranny of the majority [sic]; but here the similarity ceases. [J.S.] Mill attacks the problem from all conceivable angles and is not disposed to be critical regarding the consistency of the various possible solutions. Calhoun, on the other hand, being cast in the same mold as James Mill, insists on attempting to solve it without going beyond his original premisses. Thus, with Calhoun, we seem to be once again in the presence of the tough rigor of the older utilitarians . . .". R.P. Anschutz, The Philosophy of J.S. Mill, 1953 Oxford University Press, 1986 The Greenwood Press, p. 55, n. 1.

¹⁵⁹ This surprise at finding an intellectual such as Calhoun in American politics should perhaps be read in the context of Mill's views on representative government: "The natural tendency of representative government, as of modern civilization, is toward collective mediocrity: and this tendency is increased by all reductions and extensions of the franchise . . . It is an admitted fact that in the American democracy, which is constructed on this faulty model, the highly-cultivated members of the community, except such of them as are willing to sacrifice their own

legislature, that while he was far from agreeing with Calhoun on all points, he considered Calhoun's work an important contribution to the science of government and associated it with the advance of progress and political freedom.

Obviously in part Mill is simply being polite; in part he was clearly pleased to receive a nice looking bound book gratis, and to be singled out as one distinguished for science, learning, and public service. But neither are these letters mere politeness or chat. Mill still had substantive things to say--crediting Calhoun, for example, with having added speculative to American practical achievement. And despite the polite tone in his Letter to the South Carolina legislature, Mill couldn't resist a last dig. He hoped that, perhaps--in the future--America would also lead the way in mental and moral matters as well.

But still the rather unreservedly positive tone in all this is odd when one might have expected Mill to have noticed a parallel between Calhoun's political philosophy and his politics.¹⁶⁰ Harriet Mill apparently sensed this problem in her

opinions and modes of judgement, and become the servile mouthpieces of their inferiors in knowledge, do not offer themselves for Congress or State legislatures . . .". J.S. Mill, "Inaugural Address at St. Andrews". Mill is speaking of course of Jacksonian democracy.

¹⁶⁰ "The Disquisition on Government [1851], which constitutes Calhoun's introduction to political science, is the mature statement in universal terms of the premises on which his own public career since the middle 1820's had been based". Charles M. Wiltse, John C. Calhoun, Vol. III, Bobbs-Merrill Co. 1951, pp. 414-15.

suggested change in the letter of acknowledgement to the South Carolina legislature; the addition of the word 'much' to the phrase 'political freedom' acts as a qualifier, as if one might not want to credit the South Carolina of 1854 with an absolute commitment to freedom (parenthetically, the reputation of Harriet Mill has not fared well at the hands of posterity, but this is certainly one sign at least of some discrimination on her part).

But even the most critical things about Calhoun to be found in these letters--Mill's dismissal of Calhoun's writing style and the qualification that he was far from agreeing with Calhoun on all points--pale before what he would later write of Calhoun's cause:

Having been a deeply interested observer of the Slavery quarrel in America, during the many years that preceded the open breach, I knew that it was *in all its stages* an aggressive enterprise of the slave owners to extend the territory of slavery; under the combined influences of pecuniary interest, domineering temper, and the fanaticism of a class for its class privileges . . . Their success, if they succeeded, would be a victory of the powers of evil which would give courage to the enemies of progress and damp the spirits of its friends all over the civilised world, while it would create a formidable military power grounded on the worst and most anti-social form of tyranny of men over men, and by destroying for a long time the prestige of the great democratic republic would give to all the privileged classes of Europe a false confidence, probably only to be extinguished in blood.¹⁶¹

Given such categorical and long held views about the `slave

¹⁶¹ J.S. Mill, The Autobiography of John Stuart Mill, Ryburn Library Edition 1992, with Introduction and Notes by A.O.J. Cockshut, p. 145.

power' 'in all its stages', how then could Mill characterize Calhoun--the greatest leader of the slave power, to the extent it ever had one¹⁶²--so unqualifiedly as 'an eminent statesman', a 'political thinker superior to any who has appeared in American Politics since the authors of the Federalist', an example of America's destiny to give instruction to the world in political freedom and the science of government, and a laudable example of defending 'the general principle of limiting the tyranny of the majority, and protecting minorities by admitting them to a substantial participation in political power'?

III.

Mill's sympathy for South Carolina and Calhoun against the 'tyranny of the majority', is partly to be explained by his economics. The passage in Considerations, after all, begins with Mill's approval of South Carolina's attempt to nullify the Federal tariff, and Mill was a strident free-trader.

Commenting in the London Observer on President Jackson's State of the Nation Address of Jan. 1833, a young Mill wrote the following about the Nullification crisis:

It was not too soon for Congress to begin repealing their absurd commercial laws. The Union was on the verge of civil war. The Southern States, having no manufactures, but exporting an immense quantity of raw produce, suffered in a twofold manner by the Tariff;

¹⁶² "He was for me the guiding star in the political firmament" . . . Jefferson Davis, in "Tribute to the Calhoun Monument", 1888. p. 116).

first, by being compelled to buy dear and bad manufactures in New England, when they could have cheap and good ones in Europe; and secondly, by the consequent limitation of the European market for their own commodities. The legislature of one of the greatest of these states, South Carolina, has recently passed an Act, declaring that Congress has exceeded its powers in enacting the Tariff, being authorized by the Constitution to impose taxes for revenue only, but not for protection; and that, consequently, the Tariff laws are inoperative, and ought not to be obeyed.

The President, in his message, comments in very measured terms on this bold proceeding, but there is no doubt that the Federal Government will be too strong for this single State, as none of the other anti-Tariff States are showing any disposition to follow the example. Let us hope, at least, that this act of resistance will draw universal attention to the iniquity of taxing the whole American people to enable a few manufacturers to carry on a losing trade; and that in this, as in so many other cases, intemperate violence may procure the redress which was denied to gentle remonstrance.¹⁶³

Mill's reference here to South Carolina as a 'great state' appears to be drawn directly from Calhoun's "Speech on The Revenue Collection Bill", his reply to the Congressional bill which seconded President Jackson's assertion that the Federal Government would meet with force any and all attempts at secession or state interference with the collection of duly enacted Federal taxes (The Nullifiers have won a historical battle here, and the bill has gone down in history as the Force Bill).

In his reply to Jackson and the firm congressional majority which opposed Nullification, Calhoun reacted to jibes

¹⁶³ "Necessity of Revising the Present System of Taxation", 13 January, 1833, reprinted in John Stuart Mill, Collected Works, Francis E. Mineka and Dwight N. Lindley, Eds., Vol. ? pp. 543-545.

contrasting the enormity of South Carolina's threat to the Union with the smallness of her population, and hence the smallness of her interest to that of the nation:

We have been sneeringly told that she is a small State; that her population does not much exceed half a million of souls; and that not more than one-half are not of the European race. The facts are so. I know she can never be a great State, and that the only distinction to which she can aspire must be based on the moral and intellectual acquirements of her sons.¹⁶⁴

Mill was apparently struck with Calhoun's rhetoric defending South Carolina's resistance against majority tyranny--oh yes, it was a great state!--even in the context of Calhoun's open mention of that fact that close to half the population was enslaved--so much so Mill would associate South Carolina with greatness both in his article in the London Observer, and again nearly 30 years later in 1861 in On Representative Government.

But as concerns the claim that the limitations on free trade were ascribable to the limitations of American democracy, the United States was hardly alone in its trade policy: at the end of the Napoleonic Wars all the major (i.e. non-democratic) European countries enacted tariffs as well. Protectionists at the time argued that Ricardian free trade doctrine was a facet of British imperialism, and that tariffs were necessary to foster the early development of native

¹⁶⁴ "Speech on The Revenue Collection Bill", Crallé II, p. 199. Calhoun concedes here that South Carolina's threat to secede is based on a small interest and shifts his defense to one of principle.

industry--the later a view which Alfred Marshall, for one, would later begrudgingly endorse.¹⁶⁵

Much like modern economists, Mill appears to have genuinely believed in the ethical necessity of free trade (the question agitated him throughout his life), but as he would state elsewhere, he was well aware of the unequal results of the application of economic theory could have when real material interests are concerned:

Here, then, is the really vital question of practical statesmanship for England, so far as material interests are concerned. With universal free trade, England might not indeed remain for ever, but would be tolerably secure of remaining for generations to come, the workshop of the world.¹⁶⁶

Mill's support for free trade, then, was not entirely

¹⁶⁵ See Alfred Marshall, Principles of Economics, Eighth Edition, Macmillan & Co., 1938; pp. 465, 475-476 n.1.

Interestingly, Marshall shows some qualms about the association of voting and tariffs similar to Mill's, but without any sympathy for nullification or threats of secession--Marshall was writing in a later era. Still, having agreed with the principle that protection is justified for nascent industries, Marshall warns: "But even there the policy is apt to be wrenched from its proper uses to the enrichment of particular interests: for those industries which can send the greatest number of votes to the poll, are those which are already on so large a scale, that a further increase would bring on very few economies." (p. 465). Again at issue here is America, whose protectionism and so whose democracy annoyed British free traders. Notice also, though, that Marshall implicitly rejects the notion that protectionism for young industries can be traced to some conspiracy of narrow interest since small and young industries are by definition small weak, and can only mobilize support in the name of the larger public good; it is only later on, once industries become big enough to send "numbers" to the polls that Marshall is worried about.

¹⁶⁶ The Spectator, 28 Jan. 1843, reprinted in Works, Vol. XVI, p. 839.

unrelated, at least, to its being English free trade.

Still, Mill also argued that very often freedom itself was at stake in free trade, as he made clear in On Liberty:

. . . there are questions relating to interference with trade which are essentially questions of liberty; such as . . . the prohibition of opium into China . . . [such] interferences are objectionable, not as infringements on the liberty of the producer or seller, but on that of the buyer.¹⁶⁷

The Opium Wars, then, were partly about preventing infringements on liberty, not only free trade but the liberty of the Chinese consumer! Mill's example of smoking opium in China as an issue of liberty should be seen in the context of some other such examples in On Liberty, the liberty to drink alcohol under prohibition (Mill names Maine, the first dry state in America), the liberty to eat beef in India and pork in Islamic lands. Modern observers tend to miss the cultural, imperial aspect here: the 'liberty' of the English gentleman to do what he will in colonial lands.¹⁶⁸ Such views may be why

¹⁶⁷ J.S. Mill, Utilitarianism and Other Writings, New American Library 1962, p. 228. We should also notice here that unlike later economists, Mill doesn't connote free trade with freedom pure and simple in part at least because Economics hadn't yet shifted from the labor and cost of production theories to marginal utility and consumer sovereignty.

¹⁶⁸ For Mill, liberty was not for the many but for the few, the right of gentlemen to do as they will in spite of colonials and the lower orders. This sense is captured well in Mill's notion that what freedom really means is the cultivation of eccentricity; the prerogative of gentlemen--and gentlewomen.

The relation of free trade to political hegemony, drug cartels (Mill and his father were high functionaries of the East India Company), and slave labor still remain important questions.

Henry Adams, not without humor, referred to Mill as 'his Satanic free-trade majesty', alluding not only to the infernal fires of Manchester liberalism (Satanic Mill[s]?), but also to the associated majesty of the British Imperium.¹⁶⁹ Most Americans in the nineteenth century, however, thought that tariffs were the really vital question of practical statesmanship for the material welfare of their own country, and they voted as such.

But when Mill publically applauded the intemperate violence of the Nullifiers in 1833, was he really agreeing to the proposition that majority regulation of foreign trade is oppression pure and simple? In a letter of 1863, Mill disavowed any such equation.

I do not think that the protective tariffs can justly be laid to the charge of democracy; for I believe protectionism is the creed, in America, of the majority, both of the wealthy and of the literary classes including even the political economists; & though I am far from thinking they are in the right, there are things to be said for their opinion . . .¹⁷⁰

Mill, then, used such ideas as liberty, minority protection, representation, participation, the right of resistance, and intemperate violence for redress of grievances to bolster his argument for free trade, but this was an equation which he apparently did not at bottom believe. But he would continue to suggest as much, as in a letter in 1869:

¹⁶⁹ Henry Adams, The Education of Henry Adams, Houghton Mifflin 1973, p. 72.

¹⁷⁰ Letter to Earl Grey, May 13, 1863, Works, Letter 695, pp. 931-942, at p. 942.

On the subject of free trade, I have always counted on finding the Democratic party the sounder of the two:¹⁷¹ and when the question of reconstruction is settled (which, to my thinking, it can never be on the principles of the Democratic party) I look forward to a rearrangement of the parties, in which free trade will come into the first rank, and in which the representation of minorities may also become prominent . . .¹⁷²

Mill, then, continued to portray free trade as minority protection.

But while free trade explains why Mill voiced sympathy for nullification and Calhoun in 1833 and in 1854 (here specifically looking back to 1833), it does not explain why he would do so again on the eve of the Civil War, by which time the tariff issue had long been resolved, so much so that Calhoun would not even bother to mention tariffs in the Disquisition. Though the tariff had become a political non-issue between North and South in the decade preceding the Civil War, as late as 1861, as Civil War was breaking out, Mill's position on race and slavery still did not entirely mute his sympathy for southern threats of secession and nullification.

IV.

We should at least note in passing that in his praise for

¹⁷¹ I.e. the Whig and then Republican parties, which were more protectionist than the Democrats.

¹⁷² Works, Vol. XVII, pp. 1540-1541, Jan. 5, 1869. Mill also concedes in this letter that American protection was not about majority rule because in America the educated classes and political economists also favored protection.

Calhoun's views on representative government, Mill uses the term coined by Alexis de Tocqueville in Democracy in America, the "tyranny of the majority". Calhoun, however, never used the term, and Tocqueville never expressed the view that universal suffrage and majority rule would institutionalize the oppression of minorities.

While Tocqueville sometimes worried that majorities could abuse their power, he thought that a free press and an independent judiciary were admirably disposed to prevent this; his notion was 'tyranny of the majority' is probably best described as a concern with the effects of a climate of mass opinion on liberty of thought--Tocqueville spoke of tyranny of the majority, not tyranny by the majority. Put in more modern language, Tocqueville feared that the atomization and increased scale of modern life would leave individuals with only slight psychological independence from mass opinion; he worried that the main characteristic of modern societies, even in those where freedom was nominally guaranteed by the laws, would not be diversity and a free and active citizenry, but social conformism and political apathy. And even here, Tocqueville's greatest fears were not so much for the America before him, Jacksonian democracy, but for the quality of citizenship in democracies of the future.

In fact, Tocqueville's visit to the United States was in the midst of the Nullification crisis; he watched part of the debate in congress while in Washington D.C. The Nullification

crisis however did not suggest to him any flaws in universal suffrage and majority rule, only the flaw of slavery.¹⁷³

Though Mill recommended Tocqueville's work highly to the public, he never seemed quite able to grasp the idea that the climate of private opinion could be oppressive without the physical coercion of the state--the public/private-force/freedom distinction were too central to his thought. Mill's review articles of Democracy in America and the passage in Considerations, however, helped put Tocqueville's phrase into the language--not in Tocqueville's sense, but in Calhoun's sense of overbearing electoral majorities.¹⁷⁴

Mill, then, used the term tyranny of the majority in praising Calhoun, for his own purposes rather than Tocqueville's. But Mill also admired Calhoun without favoring either outright minority veto or slavery, so again why the praise for Calhoun in 1854 and 1861?

V.

The answer would appear to be Mill's views on universal suffrage (then on the rise in Great Britain as elsewhere), and the influence on Mill of Thomas Hare's Treatise on

¹⁷³ See Alexis de Tocqueville, Democracy in America,

¹⁷⁴ This is also the sense in which contemporary minority veto, Calhounian, thought expresses itself. See Lani Guinier, The Tyranny of the Majority, and Paul Samuelson & William Nordhaus, Economics, 12th ed., op sit, p. 707.

Representational Government.¹⁷⁵ Hare proposed to replace majority voting by districts with proportional representation-voting by groups, in the name of individual representation, the representation of minorities, and the scientific calculation of voting. On page 4 of Hare's Treatise we also find the following recommendation:

With regard to the character of government by a numerical majority, it is useful to listen to republican statesmen. Mr. Calhoun, who occupied at different times some of the highest offices in the government of the United States, and who studied American institutions with the aid of long experience, employed his latest hours and his most elaborate efforts, in a work designed as a warning against the dangers of that absolutism which would result from committing the destinies of the country to the uncontrolled government of the numerical majority.¹⁷⁶

In introducing the idea of proportional representation in chapter one of the Treatise ("Majorities and Minorities"), Hare relied on Calhoun as *the* chief authority on majority rule, excerpting whole sections of the Disquisition, amounting to about seven pages in toto. Still more Calhoun gets cited in chapter xi?, the main theoretical chapter of Hare's Treatise. Only a look at Hare's text or a full reprint of Hare's quotations do give the sheer bulk of Calhoun in Hare justice, so they are reproduced here in the following footnote.¹⁷⁷

¹⁷⁵ Thomas Hare, Treatise on the Election of Representatives, Longman Green 1859.

¹⁷⁶ Thomas Hare, A Treatise on the Election and , p. 4.

¹⁷⁷ There is of course no substitute for reading classic texts and passages in the original. One cannot get a sense

of the extent of Hare's citations of Calhoun without at least a glance at the original citations, which are therefore reproduced below. The reader only has to skim over the pages this footnote occupies: what is most striking here is the sheer bulk of Calhoun in Hare's Treatise: could anyone--let alone a leading scholar--who read Hare not know of Calhoun?:

With regard to the character of government by a numerical majority, it is useful to listen to republican statesmen. Mr. Calhoun, who occupied at different times some of the highest offices in the government of the United States, and who studied American institutions with the aid of long experience, employed his latest hours and his most elaborate efforts, in a work designed as a warning against the dangers of that absolutism which would result from committing the destinies of the country to the uncontrolled government of the numerical majority. The right of suffrage, he says, is, indeed, the indispensable and primary principle, 'but it would be a great and dangerous mistake to suppose, as many do, that it is of itself sufficient to form constitutional governments' [Hare's footnote here cites Vol. I of Calhoun's Works: 'A Disquisition on Government and a Discourse on the Constitution and Government of the United States, by John C. Calhoun. Edited by R.C. Crallé, p. 13 Charleston, 1851']. 'To this erroneous opinion', he [Calhoun] adds, 'may be traced one of the causes why so few attempts to form constitutional governments have succeeded; and why, of the few which have, so small a number have had a durable existence. It has led not only to mistakes in the attempt to form such a government, but to overthrow, when they have, by some good fortune, been correctly formed. So far from being of itself sufficient--however well guarded it might be, and however enlightened the people--it would, unaided by other provisions, leave the governments absolute as it would be in the hands of irresponsible rulers, and with a tendency, at least as strong, towards oppression and abuse of its powers' [footnote; Hare again cites the Disquisition: 'Id. p. 13']. 'The more extensive and populous the country, the more diversified the condition and pursuits of its population; and the richer, more luxurious, and dissimilar the people, the more difficult it is to equalize the action of the government, and the more easy for one portion of the community to pervert its powers to oppress and plunder the other' [footnote; Hare cites the Disquisition: 'Id. p. 16.']. 'The

dominant majority for the time' he repeats, would have the same tendency to oppression and abuse of power, which, without the right of suffrage, irresponsible rulers would have. No reason, indeed, can be assigned why the later would abuse their power, which would not apply to the former. The dominant majority for the time would, in reality, through the right of suffrage, be the rulers--the controlling, governing, and irresponsible power,--and those who make and execute the laws, would, for the time, in reality be but their representatives and agents' [footnote; Hare cites the Disquisition again: 'Id. p. 22.']. And he [Calhoun] proceeds to show that the abuse of power would be thus acquired, could only be counteracted by giving each to each division, or interest, through its appropriate organ, a concurrent voice [Hare again cites the Disquisition: 'Id. p. 25.']. The majority which is formed by this concurrence he calls the constitutional majority, in contradistinction to that which is obtained by treating the community as a unit, having but one common interest. 'The first and leading error', he says, 'which naturally arises from overlooking the distinction referred to, is to confound the numerical majority with the people, and this so completely as to regard them as identical. This is a consequence that necessarily results from considering the numerical as the only majority. All admit, that a popular government, or democracy, is government of the people; for the terms imply this. A perfect government of the kind would be one which would embrace the consent of every citizen, or member, of the community; but as this is impracticable, in the opinion of those who regard the numerical majority as the only majority, and who can perceive no other way by which the sense of the people can be taken, they are compelled to adopt this as the only true basis of popular government, in contradistinction to governments of the aristocratical or monarchical form. Being thus constrained, they are, in the next place, forced to regard the numerical majority as, in effect, the entire people; that is, the greater part as the whole; and the government of the greater part as the government of the whole' [Hare again cites the Disquisition: 'Id. p. 27'].

The work [Calhoun's] being adapted to a republican form of government, contains observations on a political organism, by the concurrent and veto of different bodies, which happily is, in this country, provided for by a different constitution; but all the remarks on the error of so dealing with numbers as to extinguish interests, is equally applicable to the

constitution of the House of Commons

On pages 13-14, Hare writes:

It is obvious that the tendency of a system of government founded on numerical differences alone is to absorb all differences into one issue--a contest for power. The extension of knowledge and the progress of civilisation open the door of inquiry, prompt activity of thought, encourage diversities of opinion, and thus lead the way to social improvement; but the benefit of this progress in the composition of a representative assembly is excluded when every variety of opinion and shadow of thought is expurgated,--thrown aside as so much lumber, in order that both sides may come unencumbered to the trial of strength which is to determine the single issue--the possession of power.* [Hare's footnote reads: 'See Calhoun, Disquisition, &c. pp. 44. 48'].

On page 17, Hare writes:

. . . the principle which has been quoted from the work of Mr. Calhoun, a principle which all history corroborates, [is] that government by numbers is not insatiable of power, and certainly not more scrupulous of the claims of those who are without its pale, than any other, absolute, uncontrolled, and irresponsible power.

On page 18:

Those who, in this country, or who in establishing representative institutions in the colonies, have advocated the policy of conferring on minorities some power at least a partial representation, have been stigmatised as unsound reformers,--as enemies to the sovereign will of the majority. The majority which is meant is not the true, and, as it is termed by Mr. Calhoun, the concurrent and constitutional majority of the nation,--the result of a free and comprehensive organization of all interests, and all opinions; but the majority of mere numbers, are to be immolated.

On pages 23-24:

'The principle', says Mr. Calhoun, in the work which has been quoted, 'by which constitutional governments are upheld, is *compromise*, that of absolute governments is *force*.' [Hare's footnote reads: 'Disquisition &c., p. 37']. By giving full, and no more than full weight to opposing and

conflicting interests, a salutary check is interposed to all precipitate resolutions. 'They render deliberation a matter not of choice but of necessity; they make all change a subject of compromise, which naturally begets material which materially begets moderation; they produce temperaments preventing the sore evil of harsh, crude, unqualified reformatations, and rendering all the headlong exertions of arbitrary power for ever practicable' [There is apparently an uncorrected typographical error here; there is no reference to a footnote in the text, but Calhoun is again cited at footnote at the bottom of the page: 'Id. p. 51'].

How, then, are those who are weaker in numbers,--those who formed their opinions on matters concerning the public welfare, upon considerations which the majority do not enter into, or do not appreciate,--to bring about this compromise? It is plain that they cannot effect it, without the power of exercising a volition of their own. Neither reason, entreaty, nor persuasion, will be enough. When the majority feel that their will cannot be controlled, and that they may defy and despise minorities, they will assuredly do so, and the remonstrances of the latter will become the subject of 'ridicule and scorn'. [Footnote: 'Disquisition &c., p. 304'.]. 'The highest moral obligations: truth, justice, and plighted faith,--much less prudence and propriety,--oppose, of themselves, but feeble resistance to the exercise of power' [Hare again cites Calhoun: 'Id. p. 281'.].

These are the cites and quotations of Calhoun that Hare makes in Chapter 1. Hare makes the following in chapter XI: Calhoun is mentioned in the chapter heading; Hare opens the chapter by going directly to Calhoun (p. 255):

THE American statesman, whose "Disquisition on Government" has been referred to, observes that all history and experience testify that the same predominance of the individual over the social feelings which makes government indispensable to preserve society, produces also in those who administer the government a strong tendency to abuse its powers. "Liberty," he says, "is little more than a name under all governments of the absolute form, including that of the numerical majority, and can only a secure and durable existence under those of the concurrent or constitutional form".*[Footnote: "Calhoun, Disquisition, &c., p. 60 . . .] It is only a constitution, by whatever name it may be called, which can prevent an abuse of power. "Having its origin in the same principle of our nature, constitution [ital] stands to government [ital] as government [ital] stands to society [ital], and as the end for which society is ordained would be defeated without constitution. But they differ in this striking particular. There is no difficulty

in forming government. It is not even a matter of choice whether there shall be one or not. Like breathing, it is not permitted to depend on our volition. Necessity will force it on all communities in some form or another.. Very different is the case as to constitution. Instead of a matter of necessity, it is one of the most difficult tasks imposed on man to form a constitution worthy of the name; while, to form a perfect one,-one tht would completely counteract the tendency of ogvernment to oppression and abuse, and hold it strictly to the great ends for which it is ordained,-has thus exceeded human wisdom, and possibly ever will."+ [Footnote: Disquisition, &c., 8.] "the question involves difficulties, which, from the earliest, wise and good men have attempted to overcome. For this purpose many devices have been resorted to, suited to the various stages of intelligence and civilisation, through which our race has passed. The only materials which the early ages afforded for the construction of consitituions, "were applied with consummate wisdom and skill. To their successful application may be fairly traced the subsequent advance of our race in civilisation and intelligence, of which we now enjoy the benefits. For, without a constitution,--something to counteract the strong tendency of government to disorder and abuse, and to give stability to political institutions,--there can be little progress or permanent improvement".*[Footnote: Id. p. 11.]

On page 259, Hare writes:

How, asks Mr. Calhoun, is the tendency of government to oppression and abuse "to be counteracted,--how can those who are invested with the powers of government, be prevented from employing them as the means of aggrandising themselves, instead of using them to protect and preserve society?"+ [Footnote: Calhoun, Disquisition &c., p. 8.]

Hare then continues on, agreeing with Calhoun that majorities are despotic, and goes on to quote more Calhoun (pp. 259-262):

The answer to these questions, as they are the conclusions from facts, first assumes a negative form, by showingthat as no selection of one, or of a class, be it few or many, constitutes any security from oppression, so the vesting of power in the greatest number--in the numerical majoirty--is at least equally a despotism in principle; and a despotism which is more hopeless from the numbers of which it is composed, and the assistnace and countenance of a multitude which creates its own stanard of morals, and is blind to what is base, when it serves the popular object. When the

contest is reduced to one of numbers--to a question of numerical majority--the conflict between the two parties "tends necessarily to settle down into a struggle for the honours and emoluments of the government, and each, in order to obtain an object so ardently desired, will in the process of the struggle resort to whatever measure may seem best calculated to effect this purpose. The adoption, one by one, of any measure, however objectionable, which might give it an advantage, would compel the other to follow its example. In such case, it would be indispensable to success to avoid division and keep united; and hence, from a necessity inherent in the nature of such governments, each party must be alternately forced, in order to ensure victory, to resort to measures to concentrate control over its movements in fewer and fewer hands, as the struggle becomes more and more violent. This, in the process of time, must lead to party organization, and party caucuses and discipline, and these, to the conversion of the honours and emoluments of the government into means of rewarding partisan services, in order to secure the fidelity and increase the zeal of the members of the party. The effect of the whole combined, even in the earlier stages of the process, when they exert the least pernicious influence, would be to place the control of the two parties in the hands of their respective majorities; and the government itself virtually under the control of the dominant party for the time, instead of the majority of the whole community, where the theory of this form of government vests it. Thus, in the very first stage of the process, the government becomes the government of a minority, instead of a majority,--a minority, usually, and, under the most favorable conditions, of not much more than one-fourth of the whole community.

But the process, as regards the concentration of power, would not stop at this stage. The government would gradually pass from the hands of the majority of their party into those of its leaders, as the struggle became more intense, and the honours and emoluments of the government the all-absorbing objects. At this stage, principles and policy would lose all influence in the elections; and cunning, falsehood, deception, slander, fraud, and gross appeals to the appetites of the lowest and most worthless portions of the community, would take the place of sound reason and wise debate. After these have thoroughly debased and corrupted the community, and all the arts and devices of party have been exhausted, the government would vibrate between the two factions (for such will the parties have become) at each successive election. Neither would be able to retain power beyond some fixed term; for those seeking office and patronage would become too numerous to be rewarded by the offices and patronage at the disposal of the government; and

these being the sole objects of pursuit, the disappointed would, at the next succeeding election, through their weight into the opposite scale, in hope of better success at the next turn of the wheel. These vibrations would continue until confusion, corruption, disorder, and anarchy, would lead to an appeal to force,--to be followed by a revoltuon in the form of government. Such must be the end of government by the numerical majority; and such, in brief, the process through which it must pass, in the regular course of events, before it can reach it.

This transition woud be more or less rapid, according to circumstances. The more numerous the population, the more extensive the counrty,--the more diversified the climate, productions, pursuits, and character of the people, the more wealthy, refined, and artificial their condition; and the greater the amount of revenues and disbursements, the more unsuited would the comuunity ber to such a government, and the more rapid would be the passage. [Footnote: Calhoun, Disquisition & c., p.42]

Hare then comments: "It is not by instituting a higher power to contol the government, and those who administer it that the tendency of abuse can be controlled", and then proceeds to quote more Calhoun:

This would be but to change the seat of authority, and to make this higher power, in reality, the government, with the same tendency to pervert its powers into instruments of aggrandisement. Nor can it be done by limiting the powers of government, so as to make it too feeble to be made an instrument of abuse; for passing by the difficulty of so limiting its powers, without creating a power higher than government itself to enforce the observance of the limitations, it is a sufficient objection that it would, if practicable, defeat the end for which government is ordained, by making it too feeble to protect and preserve society.+ [Footnote: Id. p.9]

Hare then quotes a sentence by another authority, and comments: "the lessons of experience having shown that absolute power can be safely reposed in no single authority, the question recurs, how the government must be constructed, to counteract its tendency to abuse?", and then quotes yet more Calhoun:

There is but one certain mode in which this result can be secured, and that is by the adoption of some restriction or limitation, which has so effectually prevented any one interest, or combination of interests, from obtaining the exclusive control of the government, as to render hopeless

all attempts directed to that end. There is, again, but one mode in which this can be effected, and that is, by taking the sense of each interest or portion of the community, which may be unequally and injuriously affected by the action of the government, separately, through its own majority, or in some other way, by which its voice may be fairly expressed; and to require the consent of each interest, either to put or to keep the government in action. This, too, can be accomplished in only one way, and that is, by such an organism of the government, and, if necessary for the purpose, of the community also, as will, by dividing and distributing the power of government, give to each division or interest, through its appropriate organ, either a concurrent voice in making and executing the laws, or a veto in their execution. It is only by such an organism, that the assent of each can be made necessary to put the government into motion; or the power made effectual to arrest its action when put in motion; and it is only by the one or the other that the different interests, orders, classes, or portions, into which the community may be divided, can be protected, and all conflict and struggle between them prevented, by rendering it impossible to put or keep it in action, without the concurrent consent of all. [Footnote: Calhoun, Disquisition &c., p. 25.]

Hare then quotes Calhoun again on p. 267:

"When something must [ital] be done, and when it can be done only by the untied consent of all,-- the necessity of the case will force to a compromise". "On all questions of acting, necessity, where it exists, is the overruling motive; and where, in such cases, compromise among the parties is an indispensable condition to acting, it exerts an overruling influence in predisposing them to acquiesce in some one opinion or course of action. Experience furnishes many examples in confirmation of this important truth: among these, the trial by jury is the most familiar".+[Footnote: Calhoun, Disquisition &c., p.65.]

On page 269, Hare warns the reader: "If the representative body be the creature of numerical majorities, the constitution will be ultimately drawn into the vortex to which governments by such majorities are exposed. In such a case, Mr. Calhoun cautions the minority, not

. . . to indulge the folly of supposing that the party in possession of the ballot box and the physical force of the country could be successfully resisted by an appeal to reason, truth, justice, or the obligations imposed by the constitution. [Calhoun, Disquisition & c. p. 33.] If these

could be relied on, he observes, government might be dispensed with. The end of the contest between the majority and the minority would be "the subversion of the constitution, either by the undermining process of construction,--where its meaning would admit of possible doubt,--or by substituting in practice what is called party usage, in place of its provisions;--or finally, when no other contrivance would subserve the purpose, by openly and boldly setting them aside. By the one or the other, the restrictions would ultimately be annulled, and the government be converted into one of unlimited powers".* [Footnote: Id. 34.]

Hare then comments: "A representative body composed, not of the nominees of numerical majorities, but of actual representations of all varieties of disposition and interest which make up society--none being suppressed, would form within itself an assembly in which the majority must necessarily be concurrent, and comprehensive the elements to which Mr. Calhoun attributes, not unreasonably, so much virtue. Under such a form of composition, every division of the constituents, [Hare goes back to quoting Calhoun again]:

"in order to advance its own peculiar interests, would have to conciliate all the others, by showing a disposition to advance theirs; and for this purpose, each would select those to represent it whose wisdom, patriotism, and weight of character, would command the influence of the others. Under its influence, and with representatives so well qualified to accomplish the object for which they were selected,--and the prevailing desire would be, to promote the common interests of the whole; and, hence, the competition would be, not which should yield the least to promote the common good, but which should yield the most. It is thus that concession would cease to be considered a sacrifice,--would become a free-will offering on the altar of the country, and lose the name of compromise. And herein is to be found the feature, which distinguishes governments of the concurrent majority so strikingly from those of the numerical. In the later, each faction, in the struggle to obtain the control of the government, elevates to power the designing, the artful, and the unscrupulous, who in their devotion to party,--instead of aiming at the good of the whole,--aim exclusively at securing the ascendancy of party. When traced to its source, this difference will be found to originate in the fact, that, in governments of the concurrent majority, individual feelings are, from its organization, necessarily enlisted on the side of the social, and made to unite with them in promoting the interests of the whole, as the best way of promoting the

separate interests of each; while in those of the numerical majority, the social are necessarily enlisted on the side of the individual, and made to contribute to the interest of parties, regardless of that of the whole. To effect the former,--to enlist the individual on the side of the social feelings to promote the interest of the parties at the expense of the good of the whole, is the greatest blunder which ignorance can possibly commit.

To this, also, may be referred the greater solidity of foundation on which governments of the concurrent majority repose. Both, ultimately, rest on necessity; for force, by which those of the numerical majority are upheld, is only acquiesced in from necessity; a necessity not more imperious, however, however, than that which compels the different portions, in governments of the concurrent majority, to acquiesce in compromise. There is, however, a great difference in the motive, the feeling, the aim, which characterize the act in the two cases. In the one, it is done with that reluctance and hostility ever incident to enforced submission to what is regarded as injustice and oppression; accompanied by the desire and purpose to seize on the first favourable opportunity for resistance:--but in the other, willingly and cheerfully, under the impulse of an exalted patriotism, impelling all to acquiesce in whatever the common good requires.* [Footnote: Id. 70.]

On page 281 Hare recounts some of Calhoun's remarks on monarchy, citing the Disquisition, p.85, and begins another round of citation on the next page:

"It remains to be seen, whether they will continue to attain their advantages under the great and growing influence of public opinion, and the new and imposing form under which popular government has assumed". "To comprehend more fully the force and bearing of public opinion--and to form a just estimate of the changes to which, aided by the press, it will probably lead, politically and socially, it must be considered in connexion with the causes that have given it an influence so great, as to entitle it to be regarded as a new political element." [Calhoun, Disquisition & c., p. 85.] The more prominent of the causes referred to, are the discoveries and inventions of the last few centuries; printing, the compass in navigation, gunpowder in war, the application of mechanical and chemical laws to the arts of production, and of steam to machinery, facilitating travel and transportation by land and water. Hence the increase and diffusion of knowledge; an impulse to progress and civilization heretofore unexampled, accompanied by unprecedented mental energy and activity, to which all causes, public opinion, and its organ the press, owes its

origin and great influence [* Id. p. 88] "Already they have attained a force in the more civilised portions of the globe, sufficient to be felt by all governments, even the most absolute and despotic. But, as great as they now are, they have as yet attained nothing like their maximum force. It is probable, that not one of the causes which have contributed to their formulation and influence, has yet produced its full effect; while several of the most powerful have just begun to operate, and many others, probably of equal, or even greater force, yet remain to be brought to light". When they have produced their full effect, "they will give a full force to public opinion, and cause changes, political and social, impossible to be anticipated. their final bearing, time only can only decide; but, that they would improve the condition of man, it would be impious to doubt". [+ Id. p. 89] "The first effect of such changes on long-established governments, will be, to unsettle the opinions and principles in which they originated, and which have guided their policy, before those which the changes are calculated to form and establish, are fairly developed and understood. The governments of the more advanced and civilised portions of the world are now in the midst of this period of transition. It has proved, and will continue to prove, a severe trial to existing political institutions of every form. Those governments which have not the sagacity to perceive what is truly public opinion,--to distinguish between it and the mere clamour of faction, or shouts of fanaticism,--and the good sense and firmness to yield timely and cautiously to the claims of the one,--and to resist, promptly and decidedly, the demands of the others are doomed to fall. Few will be able successfully to pass through this period of transition, and these not without shocks and modification, more or less considerable. It will endure until the governing and the governed shall better understand the ends for which government is ordained, and the form best adapted to accomplish them, under all the circumstances in which communities may be respectively placed". [* Id. p.91.]

Hare cites more Calhoun on pp. 287-8:

"If what is called public opinion were always the opinion of the whole community, the press would, as its organ, be an effective guardian against the abuse of power, and supersede the necessity of the concurrent majority; just as the right of suffrage would do, where the community, in reference to the action of government, had but one interest. But such is not the case. On the contrary, what is called public opinion, instead of being the united opinion of the whole community, is, usually, nothing more than the opinion or

Hare's authorities, aside from Calhoun, were constitutional monarchists on record as opposing universal suffrage-- Sismondi, Guizot, Edmund Burke.¹⁷⁸ Like Mill, Hare did not favor either outright minority veto or enhanced powers for the monarchy, but both welcomed any authoritative opinion that was skeptical of universal suffrage and majority rule. Given his

voice of the strongest interest or combination of interests, and not infrequently, of a small but energetic and active portion of the whole. Public opinion, in relation to government and its policy, is as much divided and diversified as are the interests of the community; and the press, instead of being the organ of the whole, is usually but the organ of the various and diversified interests respectively, or rather of the parties growing out of them. It is used by them as the means of controlling public opinion, and so of moulding it as to promote their pecuniary interests, and to aid in carrying on the warfare of party." "As the instrument of party warfare, it contributes greatly to increase party excitement, and the violence and virulence of party struggles, and, in the same degree, the tendency to oppression and abuse of power. Instead, then, of superseding the necessity of the concurrent majority, it increases it by increasing the violence and force of party machinery; of the latter of which, indeed, it forms an important part." [* Calhoun, *Disquisition &c.*, p. 77.]

"The negative power is always far weaker, in proportion to its appearance, than the positive. The latter having the control of the government, with all its honours and emoluments, has the means of acting on and influencing those who exercise the negative power, and of enlisting them on its side, unless it be effectually guarded; while, on the other hand, those who exercise the negative, have nothing but the simple power, and possess no means of influencing those who exercise the positive power." [* *Id.* p. 285]

¹⁷⁸ Burke of course was no contemporary, having died over 50 years before, and was looking over his shoulder at the looming disaster that was the French Revolution. Unlike Mill or Hare, Burke expressed no reservations about the widespread suffrage in America.

extensive citation of Calhoun, Hare apparently found Calhoun quite a find, an important American leader full of dire warnings about what would happen soon if majority rule were permitted to triumph.

Section,

Mill feared the consequences in Great Britain if Hare's plan for proportional representation were not adopted.

My own conviction is, Mr. Hare has discovered what the best political thinkers have rather lamented the want of, then hoped to find--an effectual and practicable mode of preventing numbers, in a popular constitution, from swamping and extinguishing the influence of education and knowledge.¹⁷⁹

To one correspondent Mill warned that the adaption of proportional representation was imperative: . . . "if the American form of democracy overtakes us first, the majority will no more delay their despotism than a single despot would".¹⁸⁰

VI.

So how do Mill's views on representative democracy relate to Calhoun's? Mill was much taken with Calhoun's leadership of South Carolina Nullification because of free trade. He also

¹⁷⁹ Letter to Lord Overstowe, March 25, 1860, Works V. p. 690.

¹⁸⁰ Letter to Henry Fawcett, Feb. 5, 1860, in Works, Vol. XV, p. 672.

admired Calhoun's individualism and welcomed attacks on American-style democracy, but he also had no desire to protect slavery and did not support outright minority veto. Later Mill admitted that he thought majority rule was not to really to blame for American protectionism: Mill in fact believed that the majority of voters were quite capable of choosing the public good over narrow interests. In a letter to the editor of an American newspaper, Mill made this clear when he defended majority rule against the distinction between the social and selfish passions.¹⁸¹ For Calhoun, the social passions were unreliable and so majority rule was unreliable; but not so for Mill. For Mill the great danger of majority rule and universal suffrage is not Interest but Democracy, the rule of ignorant numbers and the disregard of the literary, the expert, the intelligent. In his Autobiography, Mill would not mention his flirtations with Calhoun, but he took pains to make clear that proportional representation is not minority veto:

Minorities, so long as they remain minorities, are, and ought to be, outvoted; but under arrangements which enable any assemblage of voters, amounting to a certain number, to place in the legislature a representative of its own choice, minorities cannot be suppressed. [Under proportional representation] . . . the legislature instead of being weeded of individual peculiarities and entirely made up of men who simply represent the creed of the great political or religious parties, will comprise a large proportion of the most eminent individual minds in the country placed there without reference by voters

¹⁸¹ The letter is unpublished aside from microfiche; the date and the newspaper are not apparent from the fiche.

who appreciate their individual eminence.¹⁸²

Mill here portrays party organization as a throwback akin to religious devotion: much like the other philosophical radicals Mill sometimes fought the future as if it were the past. Hare shared this distrust of political parties, and cited Calhoun's warnings on parties approvingly.¹⁸³

Mill and Hare's views on representation were individualistic and pre-party, and harkened back to an earlier time in English political history when eminent gentlemen--apparently, to Mill's mind, people like himself--had their place in and would be heard in Parliament. In Mill and Hare's admiration for Calhoun we see in part the reaction of mid-nineteenth century liberal English gentlemen to the rise of modern democracy.

But while Mill appealed to minority protection, minority protection per se was manifestly not at issue. Mill's worry was rather to ensure that competence, intelligence, and independence of mind would have a place in representative assemblies under universal suffrage. In Mill's thinking, new devices would be required to ensure extra representation of the classes and sections which held these attributes.¹⁸⁴ Mill's

¹⁸² J.S. Mill, Autobiography, p. 141.

¹⁸³ Disraeli's response to proportional representation, that parliament didn't need any more 'crotchety' members, is the view of party leadership against the right of gentlemen.

¹⁸⁴ One of the peculiarities of modern political thought is to try to stretch relatively low aims such as self-preservation and self-protection (i.e. negative liberty

proposal to give university towns extra representation in parliament, which smacked of the rotten boroughs of the then recent past, is indicative of this position. Mill apparently hoped that proportional representation, with its aura of mathematical neutrality and precision, would be a more modern, scientific-looking remedy than a revival of the rotten boroughs of old.

Yet Mill did genuinely believe that the lower classes deserved to have their own representatives in Parliament. This can be seen perhaps most strikingly in Mill's account of his dream about Calhoun. In Mill's dream, as in the Disquisition, Calhoun emphasized that universal manhood suffrage was the indispensable and primary principle of modern representative government. This claim apparently first struck Mill as dubious and extreme, but on reflection probably just, enough so that in the letter recounting his dream he would give Calhoun the last word on the subject, as if Calhoun could properly correct him on its importance. Interestingly enough, a few years later Hare would also and independently cite Calhoun approvingly on this score.¹⁸⁵

This was one of those cases, however, where there was some tension between Calhoun's written doctrine and his practice.

or absense of constraint) into positive prescriptions for a good society or the good life, which is part of what Mill is doing when he conflates protecting minorities with protecting competence.

¹⁸⁵ (Hare, pp.).

In practice Calhoun opposed extending the suffrage whenever he could, and South Carolina would only get universal white manhood suffrage only after his death, though on a strictly logical basis Calhoun was not being inconsistent here, because his vocal support for a widespread suffrage in the Disquisition assumed unanimity rules.

But Mill in any case was certainly not devoid of sympathy for universal suffrage and thought that all groups, including the working classes (and, notably, women--or rather, as is almost always forgotten today, gentlewomen), needed to be represented, as long as institutional features could be designed to put limits on the voting power of the lower orders. But Mill also feared that a just desire for representation on the part of the working class might lead to unqualified universal suffrage and majority rule.

A strong sense of the importance . . . [felt by the laboring class] of obtaining by whatever means, a certain number of members who actually represent them, has led an intelligent writer, Mr. Bagehot, to propose so violent a remedy as that of giving up the representation of the large towns to the day-labourers, by establishing in them, equal and universal suffrage, thereby disenfranchising the higher and middle classes of those places, who compromise the majority of the most intellectual persons in the kingdom. All this, Mr. Hare's plan would supercede.¹⁸⁶

With the publication of Hare's book, Mill launched an urgent letter-writing campaign in favor of proportional representation in order to stem or at least mold the coming universal manhood suffrage. To one correspondent Mill wrote

¹⁸⁶ Works, Vol. XIX, pp. 364-365.

that the institution of universal manhood suffrage under majority rule would result in a "a legislature reflecting exclusively the opinions and preferences of the most ignorant class. . .".¹⁸⁷ Wishing to sell Hare's plan as objective, progressive, as for the individual, (i.e., not as in favor of gentlemen), he warned another correspondent, "Don't begin with Lords or in any other quarter under suspicion of Toryism".¹⁸⁸ Such views help explain why Mill so admired Calhoun's Doctrine. After all, by 1867, Mill, the author of "Utilitarianism" (1859), Considerations on Representative Government (1861), and "On Liberty" (1863), stood to the right of the Tories on the question of universal suffrage.

Oddly enough, despite Mill's high opinion of Calhoun (. . . 'a man who has displayed powers as a speculative political thinker superior to any who has appeared in American Politics since the authors of the Federalist', etc. . .) and the repeated rejections of the idea of minority veto in his writings, Mill did not write openly about Calhoun beyond the passage in Considerations. The reason for this, as well as a possible reason for the later decline of Calhoun's stature as a political philosopher, may well be that suggested by Thomas Hare in a letter to a correspondent who wished to reprint an American abridgement of the Treatise. In this letter Hare

¹⁸⁷ "Recent Writers on Reform", Works, Vol. XIX, p. 363.

¹⁸⁸ Works, V. 15, p. 668.

recounted his own citation of the conservative constitutional monarchists who were well known for opposing the extension of the franchise. He then offered a friendly piece of advice:

I cited, also, much from Calhoun, who, looking at the rapid growth and power of the Northern States, had directed much attention to the preservation of what he regarded as the rights of the classes less numerous and powerful. My quotations were looked upon by many as appeals to this or that authority which they altogether repudiated, and they doubted, if they did not reject, a doctrine having, in their eyes, such questionable support. You will do well to get rid of such incumbrances, and I am therefore quite content that you use your knife vigorously on the work of abridgement.

Believe me,

Yours very faithfully,

Thos. Hare¹⁸⁹

Calhoun's Doctrine spoke true to Hare, but experience taught Hare not to wave such sides to his own thought too publically. In his letter to Sterne, Hare takes nothing back, but speaks to what is to be publically spoken of in the propagation of his system.

Calhoun of course cannot be said to be a major influence on Mill's thought, but should be seen much as other intellectual influences to which Mill reacted, such as his father James Mill, Bentham, Ricardo, Wordsworth, Coleridge, Comte, Tocqueville, Hare, etc.

¹⁸⁹ Thomas Hare, "Letter to Mr. Stern", 14 April, 1870, reprinted in Simon Sterne, On Representative Government and Personal Representation, J.B. Lippincott & Co., 1871, pp. 11-12.

Sterne followed Hare's advice, and much of the political philosophy is cut out of the abridgement, leaving Hare's ideas in mathematical form, giving it the aura of liberty and science.

In any case, Mill and Hare's appreciation of Calhoun (and Hare's own association of Calhoun with Burke, Guizot, and Sismondi), also shows just how unfair and even bizarre was Louis Hartz's comparison of Calhoun to such continental reactionaries as De Maistre and Bonald.¹⁹⁰ In fact, Calhoun's ideas spoke powerfully to classical liberals like Mill and Hare.

Calhoun reminded Mill of his own father and later dreamed of Calhoun as his brother, though he combined this familial feeling for Calhoun with a rebellious contempt for the Benthamite quality of Calhoun's writing. Mill pronounced Calhoun's teachings as an example of America's destiny to instruct the world in political freedom and the science of politics. In particular, Mill admired Calhoun's guidance of the South Carolina secession in support of free trade against majority rule, as well as the theoretical attacks on majority rule made in volume one of Calhoun's Works. Although Mill was an abolitionist and in the end a supporter of the Union, he apparently found the prospect of universal manhood suffrage in England so threatening as to make the praise of Calhoun and secession appropriate even as Civil War broke out in America.

Mill's loud declamations about his absolute opposition to

¹⁹⁰ See Louis Hartz, The Liberal Tradition in America, @1955 Harcourt, Brace, and Company, pp. 145-177, "The Reactionary Enlightenment". Hartz was forced to this bizarre comparison because he couldn't reconcile his own thesis of America as a solidly liberal society with the existence of Calhoun--but clearly Mill and Hare saw the matter quite differently.

the slave power in all its stages is simply not borne out by the record. Mill, of course, like most Englishmen of his day, was opposed to slavery, but the issue was not always quite so high on his list of objectives. Rather, Mill was precisely part of the audience which the Nullifiers sought to appeal to, gaining confederates abroad by basing their cause on claims to constitutional rights, free trade, and the right to resist.

Mill's strenuous opposition to slavery dates to relatively late in his life; much of the analysis of slavery in Mill's Autobiography is not that of Mill's early or middle age, but dates from the 1862 publication of J.E. Cairnes' The Slave Power. Mill instantly agreed with this book the moment it fell into his hands, and he then became a conspicuous ally of the Union in Britain, one of the first opinion leaders in Britain to do so. But only after civil war had broken out, and the issue was becoming unambiguously slavery did the British turn against the South--much as Hamilton had predicted in 1833.

There is no reason to doubt that Mill's opposition to slavery was heartfelt, but of course in Britain of the 1860's slavery was an abstract proposition concerning far away places, having little to do with controversial questions in British politics. One thing that Mill's denunciation of slavery during and after the American Civil War did give him was the progressive bona fides his political and economic views simply lacked by the 1850's and 60's.

The brief praise Mill expressed for Nullification and

Calhoun in Considerations, then, should not be seen as a mere curiosity piece, or even as a muddle, but as a special point Mill wished to make, which is in turn a partial reflection on Mill's views on the proper relation between liberty and representative government. The passage also constitutes something of a seminal moment in the history of political theory, not only for helping to put the phrase 'tyranny of the majority' into the language (in Calhoun's sense rather than Tocqueville's), but as a stopping station of Calhounism on its way to modern economic analysis. The lineage is testimony not only to the thought that can lie behind a single passage in the work of a great (if in the case of Mill, at times befuddled) political philosopher, but also of the impact that such a passage can have on later, lesser, thinkers.

VII. Knut Wicksell: "A New Principle of Just Taxation".

Why don't people argue about the 'meanings' of Wicksell the way they do about those of Ricardo and Marx?

Paul Samuelson¹⁹¹

Indeed, for a figure fit to be classed with Ricardo and Marx, one wonders why not. In a seminal piece, "A New Principle Of Just Taxation" [1896], the great turn-of-the-century Swedish economist Johan Gustaf Knut Wicksell [1851-1926] cited Mill's Considerations on Representative Government and Thomas Hare's work on proportional representation (The Election of Representatives) as the chief authoritative sources on progressive electoral reform and then asserted that true representation requires that minorities have the "right to veto" the decisions of the majority.¹⁹² Wicksell does not mention or cite Calhoun in "A New Principle", but both Mill's Representative Government and Hare's The Election of Representatives do. In what follows, we will examine Wicksell's argument in the New Principle and compare it to

¹⁹¹ Paul Samuelson, and Exploitation in , A Reply to Baumol, 1974, p. 64.

¹⁹² Wicksell, 1958 [1896], p.96). The paragraph which first proposes the 'right to veto' is preceded by one that discusses Mill's Representative Government. Representative Government is then cited again, along with Hare's 'plan', in footnote "f" at the conclusion of the paragraph. Hare's 'plan' is A Treatise on the Election of Representatives.

that of Calhoun's Disquisition.

Outside economics and Sweden, even educated laymen are not likely to have ever heard of Wicksell. Economist James Buchanan rates Wicksell as one of the three greatest economists of all time, next to Adam Smith and John Maynard Keynes.¹⁹³ Paul Samuelson has put Wicksell's importance to modern economics second only to Leon Walras, the originator of modern neoclassical mathematical economics.¹⁹⁴ Asked once for any criticisms he had of Walras, Kenneth Arrow's one substantive complaint was that Walras lacked any notion of public goods--in other words, that Walras was not Wicksell.¹⁹⁵

Also, to the layman the "New Principle" would probably appear to be a dry and obscure discussion of economic principles; to the economic historian looking back, it appears a revolutionary new beginning for the study of public sector economics. To the political theorist with some knowledge of the political theory and history we have traced so far, a rather different picture emerges. In what follows, we will compare Wicksell's "A New Principle" with Calhoun's Disquisition. We will conclude our discussion with some archival evidence from Sweden. The point is important because public choice theory grows directly out of Wicksell's

¹⁹³ James Buchanan, Democracy in Deficit , p. 11.

¹⁹⁴ Paul Samuelson, "Knut Wicksell", The New Palgrave, p. 908.

¹⁹⁵ Kenneth Arrow, Interview in Feigel, ed.

teachings.

At the time of publication of Wicksell's "New Principle", a number of continental economists were seeking for ways to apply the then-new neoclassical economics to public finance.¹⁹⁶ A related debate was whether taxes should be progressive (according to ability-to-pay) or proportional (the benefit principle, that each individual should get back what they paid in). The predominant school, defended by economists Francis Ysidro Edgeworth and Adolf Wagner, among others, favored progressive income taxes. But a larger philosophical question underlay this debate: the question of the status of modern democracy, based on constitutional government, the rule of law, the protection of rights, universal suffrage, and majority rule.

Wicksell stated at the outset of "A New Principle" that he wanted to build a theory that would integrate government into 'the basic laws of economic theory'; he began with the benefit principle.¹⁹⁷ Applying "the modern concept of marginal utility and subjective value" to parliamentary approval of taxes, Wicksell argued that from the scientific perspective graduated income taxes instituted by majority rule were arbitrary and

¹⁹⁶ Mazzola and Sax are translated and excerpted in Musgrave and Peacock (1958: 37-47, 177-189, respectively). Wagner identifies majority decision with marginalism.

¹⁹⁷ Wicksell 1958 [1896]: --as does Calhoun 1992 [1851].

unequal.¹⁹⁸ Speaking in the language of Economics, Wicksell argued that graduated income taxes were unscientific since one individual couldn't determine the utility functions of another individual, let alone construct an aggregate function for the whole society.

Beginning with the neoclassical concept of an an essential but unmeasureable subjective valuation, Wicksell argued that graduated income taxes were unscientific, since one individual couldn't determine the utility functions of another individual, let alone construct an aggregate function for the whole society:

If the utility to the individual cannot be measured, it would seem to be at least as difficult to measure the total utility for the community even approximately Such comparisons are nevertheless made, for otherwise the deliberations of the tax-approving assemblies . . . would be completely without purpose. This is obviously a theoretical difficulty which must be resolved if there is to be any science of public finance in the true sense of the term.¹⁹⁹

Majority rule was also unscientific, Wicksell argued, because majorities were not apt to act in cases where the marginal utility of a few was increased without harming the marginal utility of anyone else--majority rule in other words violated what later economists call come to call Pareto efficiency.²⁰⁰ But most importantly of all, in Wicksell's view,

¹⁹⁸ Wicksell, "A New Principle", pp. 72-73, 75-78, 80, 81.

¹⁹⁹ "A New Principle", p. 77. Also, p. 79.

²⁰⁰ "A New Principle", p. 78.

the marginal utility of individuals in a ruling majority is decisively different from their marginal utility as individual consumers. All rational individuals are self-interested, Wicksell reasoned, so a rational majority with sovereign power must, as a scientific-psychological law, oppress the minority.²⁰¹ Therefore, Wicksell deduced, approximate unanimity rules on taxation and expenditure are absolutely necessary:

In the final analysis, unanimity and fully voluntary consent in the making of decisions provide the only certain and palpable guarantee against injustice in tax distribution.²⁰²

Wicksell emphasized that limits on majority rule short of minority veto would not effectively check the abuse of power.²⁰³ Limiting majority rule through bicameralism and executive veto (i.e. Madisonian institutions), Wicksell argued, would not protect minorities because such limitations were designed for political stability in the short run, not minority protection in the long run.²⁰⁴ Further, party competition would not limit power, but only lead to successive factional control of the government, whose size would be swelled to nobody's benefit. Wicksell likened the outcomes of

²⁰¹ "A New Principle", pp. 86-88; Disquisition, pp. 6-8, 19-20.

²⁰² "A New Principle", p. 90.

²⁰³ "A New Principle", p. 86; Disquisition, p. 28.

²⁰⁴ "A New Principle", p. 88; Disquisition, pp. 27-28. Aside from Mill and Hare, Wicksell does not cite any political philosophers in the New Principle, but this characterization is a just summarization of Hobbes' Leviathan, and Locke's Two Treatises, .

majority rule to a game of roulette in which, over time, all the players must lose, while arbitrary government grows and grows.²⁰⁵ Unanimity rules, in contrast, would encourage friendship, the spirit of good citizenship, and general happiness, with all content in the knowledge that their interests were fulfilled.²⁰⁶

Wicksell conceded that majority rule might be appropriate in the infancy or 'teething troubles' of parliamentary government (i.e., when government is still weak and interests are simple), but that majorities must become more oppressive as society develops.²⁰⁷ The lever of progress, he argued, would be halted if majority rule were allowed to continue.²⁰⁸ Majority rule was essentially an absolutist form of government²⁰⁹ that, like all forms of arbitrary power, must be limited with the development of progress:

The ultimate goal of this progressive movement is equality before the law, greatest possible liberty, and the economic well-being and peaceable co-operation of all

²⁰⁵ "A New Principle", p. 87; Disquisition, p. 33.

²⁰⁶ "A New Principle", pp. 90, 97; Disquisition, pp. 14-15, 31, 36-40, 45-46, 50-52.

²⁰⁷ "A New Principle", pp. 83, 85-86; Disquisition, pp. 13-15, 36. Again, according to Calhoun's Doctrine, majority rule was appropriate when a). government was still highly limited through traditional customs and rules, and b). when society and interests were simple. Wicksell appears to include biting as part of teething troubles.

²⁰⁸ "A New Principle", p. 95; Disquisition, pp. 46-47, 64-67.

²⁰⁹ "A New Principle", p. 82; Disquisition, pp. 24, 29-31, 35, 45, 61-62.

people. It is not the purpose of the movement and indeed it would be contradictory to its guiding spirit, to have wholly or partly shaken off the yoke of reactionary and obscurantist oligarchies only to replace it by the scarcely less oppressive tyranny of accidental parliamentary majorities.²¹⁰

Wicksell argued that unanimity rules wouldn't cause obstructionism or encourage disloyalty because these would occur only in a majoritarian system where minorities felt threatened.²¹¹ In a system of unanimous voting rules government would operate by consent.²¹² He emphasized however that unanimity was only a principle and that in actual practice one could only approach it approximately.²¹³

While discussing Mill's discussion of taxation in his Principles of Economics, Wicksell cautioned still further that unanimity rules must be limited to questions of taxation, because otherwise government might become too restricted. He again pointed the reader to Mill:

It may even be true, as Mill asserts elsewhere, that if

²¹⁰ "A New Principle", p. 88; compare Disquisition, pp. 19-20. Calhoun also associated unanimity rules with progress: "The concurrent majority, then, is better suited to enlarge and secure the bounds of liberty, because it is better suited to prevent government from passing beyond its proper limits, and to restrict it to its proper end--the protection the community. But in doing this, it leaves, necessarily, all beyond it open and free to individual exertions". (Disquisition, p.45).

Though Wicksell's solution is Calhounian, his equation of parliamentary democracy with reactionary and obscurantist oligarchies is fundamentally Milleian: quote Mill.

²¹¹ "A New Principle", p. 117; Disquisition, pp. 28-31.

²¹² "A New Principle", p. 116; Disquisition, pp. 75-77.

²¹³ "A New Principle", p. ; Disquisition, p. .

the protective services of the State were abolished [i.e., by minority veto], the physically and mentally weaker members of the community would suffer most and might even be reduced to slavery by others. But in practical questions of taxation one never has to decide whether the State as an entity shall cease to function altogether.²¹⁴

In this warning about the dangers of extending minority veto outside fiscal questions, Wicksell makes several quite specific associations with minority veto; not only with removing the 'protective services of the State'--the Millian expression for Rights--but with specific respect to slavery and to the possibility of the State ceasing to function altogether. Wicksell also worried that those who he called "the mentally weaker" might be enslaved.

Now while Wicksell does not indicate just where Mill made these associations with minority veto, there is only one such passage in Mill's published writings--in Considerations, one page prior to the passage praising Calhoun and the South Carolina Nullifiers. There Mill discussed the effects of the Dred Scott decision, in which the U.S. Supreme Court, dominated by white Southerners (a national minority) overruled the power of both local and national majorities to limit slavery in the western Territories:

The confidence on which depends the stability of federal institutions was for the first time impaired, by the judgement declaring slavery to be of common right, and consequently lawful in the Territories while not yet constituted as States, even against the will of a

²¹⁴ "A New Principle", p.78. The intelligent versus the unintelligent is a Millian formulation, not a Calhounian one.

*majority of their inhabitants.*²¹⁵

Expressly because of the dangers Wicksell says Mill points out, Wicksell limited the veto power to questions of public finance: majority rule, he made it clear, would be necessary to remove inherited titles and privileges, and to maintain modern 'concepts of law and equity'.²¹⁶

The extent of Wicksell's liberalism should not be underestimated: he was stridently opposed to all manifestations of the Old Regime. Majority rule might be useful in sweeping away these premodern social forms, but must be kept from interfering with the rational allocation of the market through unanimity rules on public finance. (We should also notice that Wicksell's support for majority rule at the outset of constitutional government indicates some understanding that a 'hands off' or laissez-fairist policy requires a good deal of hands on centralization of power in order to impose markets and their legal underpinnings on localities).

²¹⁵ J.S. Mill, Considerations, 1865, p 313. My emphasis. The reader will recall that in *Dred Scott v. Sanford* [1857], the Court ruled unconstitutional both the Missouri Compromise [1820], which confined slavery to the south of the Mason-Dixon line, and the Kansas-Nebraska Act [1854], which left the status of slavery in the territories to be decided by the majority will in each territory.

²¹⁶ "A New Principle", pp. 108-109. This limitation of the veto power to questions of taxation would of course anticipate Amartya K. Sen's objection that rights are not possible under unanimous decision rules (Amartya K. Sen, "The impossibility of a Paretian Liberal" 1970, pp. . Wicksell agrees that the 'Pareto' principle is incompatible with rights.

Wicksell proposed that the required supermajority be "three-fourths, five-sixths, or even nine/tenths of the votes cast"--allowing one-fourth, one sixth, or one tenth of the legislative body to veto all the fiscal operations of government.²¹⁷ He further proposed a 'sunset' provision in which all existing taxes and expenditures would be abolished whenever support for them fell below such approximate unanimity (Wicksell 1958: , see also Lindahl,).

But power in the form of the voting franchise was extending downwards inexorably, Wicksell argued, so minority veto must be enacted soon if at all:

It is scarcely to be expected that the new ruling classes will freely impose such self-restraint upon themselves if they do not already find it embodied in the constitution.²¹⁸

If unanimity rules were not adopted soon, property would be severely threatened:²¹⁹

The propertied classes undeniably include a significant share of a nation's intelligence and economic initiative, and in many a case their preferred position is due at least in part to their own efforts. These classes should not be forced by the ill-considered claims of a precipitant democracy to assume the whole burden of the community's tax load. But neither should the poor, who after all do also possess some judgement and who are not beasts of burden but human beings, be called upon to pay for expenditures of whose utility and necessity they

²¹⁷ "A New Principle", pp. 92, 94.

²¹⁸ "A New Principle", pp. 95-96; Disquisition: "Among the other advantages which governments of the concurrent have over those of the numerical majority. . . is that they admit, with safety, a much greater extension of the right of suffrage." (Pp. 35-6).

²¹⁹ "A New Principle", p. 108.

cannot be convinced, perhaps for very valid reasons.²²⁰ Separating expenditures from the marginal utility of the individual and determining taxation and expenditure levels through the principle of majority rule, Wicksell also warned, 'would almost necessarily lead to communism in the worst sense of the word'.²²¹ Approximate unanimity on taxation and expenditures, he emphasized, was absolutely necessary to keep the rich from exploiting the poor or the poor from exploiting the rich [reverse?].²²² Wicksell concluded that the enactment of approximate unanimity rules on fiscal questions was

²²⁰ "A New Principle", p. 117. Notice that while arguing for minority veto Wicksell also feels the need to emphasize his own belief that the poor are not beasts of burden, but human beings with at least some judgement--as if minority veto is associated with a view to the contrary.

²²¹ "A New Principle", p. 76. On this association of universal suffrage and majority control of the public purse with communism, it would perhaps not be amiss to consult Karl Marx:

. . . "the state as a state abolishes private property (i.e. man decrees by political means the abolition of private property) when it abolishes the property qualifications for electors and representatives, as has been done in many of the North American States".

"But the political suppression of private property does not abolish private property; it actually presupposes its existence. . . . the state . . . allows private property, education, occupation, to act after their own fashion, namely as private property, education, occupation, and to manifest their particular nature. Far from abolishing these effective differences, it [i.e., the capitalist state] only exists so far as they are presupposed" . . . (Karl Marx, "On the Jewish Question", 1843, reprinted in the Marx-Engels Reader, p. 33). Which is to say, translating this passage out of its Hegelian obtuseness, for Marx majority rule is not communism in any sense of the word.

²²² "A New Principle", pp. 117-118; Disquisition, pp. 15, 36, 60-61, 68-70, 75-77.

imperative because rational classes would be at war, and while the science of public finance couldn't abolish this war, it could ameliorate the conflict. Unanimity rules on public finance would then channel class egoism into a safeguard for the protection of legitimate interests.²²³

VIII.

Even a passing knowledge of Calhoun's Doctrine would be enough to dismiss the claim that Wicksell's 'new' principle of approximate unanimity is merely a 'reasonable-looking' theory of democracy, but Wicksell's citation of Mill's Considerations and Thomas Hare's work on proportional representation at the very point he raises the unanimity principle suggests that Wicksell actually did know of Calhoun--unless he had never read the books he was citing (to have missed Calhoun in Hare's Treatise, for example, Wicksell would had to have skipped over pages 1, 4, 5, 6, 13, 17, 18, 23, and 24, in Chapter 1 as well as the 25 more pages in Chapter 10 which either list, mention, or quote Calhoun at length).

As is evident from the text of "A New Principle", Wicksell was familiar with all the main features of the Doctrine of the Concurrent Majority, not only on the call for unanimity rules, but with reference to human selfishness and methodological individualism, the benefit theory of taxation, the association

²²³ "A New Principle", p. 118; also, 107.

of majority rule with oppression, the inadequacy of limiting majorities with a bicameral legislature and executive veto; the supposed accidental, revolving quality of majoritarian outcomes; the association between majoritarian party competition and the arbitrary growth of government; the movement from majority rule to minority veto with the progress of history; the association of majority rule with dictatorship, anarchy, and class warfare, and the claim to science. Referring the reader again to Mill, Wicksell expressed reservations and associated minority veto with certain dangers: attacks on the 'protective services of the State', the State ceasing to function at all, and slavery--and the only such section in Mill's writings concerns Calhoun and the prelude to Civil War. Expressly because of the dangers Mill noted, Wicksell limited the veto power to questions of taxation and expenditure.

Given the extensive quotes of Calhoun in Hare in particular, we will conclude that Wicksell had read Calhoun, and had referred to Mill, Hare, and slavery in "A New Principle" in order to alert the careful reader as to what he was doing. When Wicksell integrated government into the basic laws of economic science he was also grafting an older principle from political theory onto the neoclassical model.

A note on Wicksell's politics

Economists have long pointed proudly to Wicksell as the most leftist and radical of the early great neoclassical economists, as indeed he was (See Schumpeter History of Economic Analysis, Samuelson 1989:).²²⁴ A neo-Malthusian, Wicksell first came to public notice as a public speaker advocating birth control, arguing that poverty was caused by overpopulation (i.e. Nature), so that low wages and

²²⁴ Compare Wicksell's view of universal suffrage with that of Vilfredo Pareto: "When the suffrage has been given to all men, including madmen and criminals, when it has extended to women, and, if you like, to children, it will have to stop. One cannot go any lower, unless the suffrage is extended to animals . . ." (Manual of Political Economy, [Pareto 1971]: 100). Pareto poses a rather striking dichotomy here: the same people who are assumed by Paretian economic theory to be perfectly omniscient as consumers (in Samuelson's striking phrase, the very Gods and dictators of their own fate), become, once granted the freedom of the voting booth, comparable to the insane, the criminal, the infantile, and the sub-human. This underlying contempt for the public by one of the leading theorists of consumer sovereignty suggests a powerful use for the theory which invests the property order (in Pareto's concern to protect the property order of turn-of-the-century Italy. with the rubric of freedom of consumer choice.

While Wicksell also attacked the 'less intelligent', his new principle makes it possible to attack the voting process without (necessarily) attacking the competence of an unrestricted electorate at all.

Nominal equality before the law here becomes the basis for both 'scientific analysis' and normative celebration; the doctrine of theoretical consumer sovereignty and the nominal equality of the exchange relationship need not imply anything about substantive equality at all. These are essential elements for hoe economists translate political theory into scientific garb.

unemployment had no 'economic' cause.²²⁵ Wicksell also stridently attacked and satirized the Swedish monarchy and aristocracy, and, among other things, religion in general and the institution of marriage--stands that made him unacceptable to the Right. Wicksell found himself more at home on the Left.

Elected as a social democrat to a popular conference on universal suffrage, Wicksell opposed proposals such as the eight-hour day, arguing again that poverty and poor working conditions were caused by overpopulation (Gardlund 1959:). In his economic writings Wicksell defended the writings of Malthus and Ricardo as scientific and therefore completely innocent of any harshness to the working class.²²⁶ He also updated Ricardo's old 'fiscal equivalence' argument, arguing that attempts by government to ameliorate poverty must be ineffective since efficient or rational markets would simply adjust to obviate any such action.

Still, Wicksell often expressed his sympathies for unions (though as expressions of working class pride rather than as legitimate economic institutions) as well as for the

²²⁵ "Judging from the newspaper accounts of Wicksell's various lectures on socialism, they followed, in general, a uniform pattern. . . . Economic injustice was not a consequence of private ownership of property as Marx had said. The injustice was committed neither by the individual nor by the community, but, rather, by Nature. She allowed more men to be born into a world where the amount of cultivable land remained constant. The basic error of the socialists was to blame public institutions for what is in fact the fault of nature". Gardlund, p. 85.

²²⁶ Kunt Wicksell, Value, Capital, and Rent [1893], 1970 August M. Kelley reprint, p. 41.

proletariat. He supported progressive reforms such as free schooling and high inheritance taxes--as long as they could be got under approximately unanimous decision rules (Lindahl 1969: 33-37). (This is an important conceptual point; defining unanimity rules and laissez-faire as 'consent' implicitly contemplates both qualitatively greater theoretical scope for and restrictions upon government than that contemplated in traditional laissez-faire doctrine). Though on record for many years as an advocate of universal suffrage, when the reform actually approached Wicksell's support became lukewarm, and he suggested that it be delayed.²²⁷

Wicksell was also a committed pacifist, and had been known to advocate that Sweden solve its defense problems with bordering Tsarist Russia by unilaterally disarming and then voluntarily joining that Empire to instruct the Russians through example in the ways of liberty and constitutionalism²²⁸ (this sort of proposal, parenthetically, helps to explain Wicksell's strange silence in the *New Principle* on how national defense was to be conducted with supermajority rules on public finance).

Wicksell's long career as a public intellectual did not pay and his electoral career was short-lived, but he eventually obtained an academic post. Wicksell's talents as an economist (which were of the first order), as well as the occasional

²²⁷ Gardlund 1959.

²²⁸ "A New Principle", pp. 107-8.

eyebrow-raising public utterance kept him in the public eye as a fixture of the Left. At his funeral in 1926, Red flags were much in evidence).²²⁹

Wicksell's stance as a leftist and a radical reformer should not seem surprising since the terms 'liberal', 'left', and 'radical' in their original nineteenth century meaning describe his basic politics well: restricted government (libertarianism and laissez-faire) secured by a restricted electorate. Wicksell was a libertarian on moral questions and an economic liberal on social questions. His variety of classical liberalism, formed in the 1880's, is probably best understood as a strident variation on the ideas of John Stuart Mill, sort of a Scandinavian version of the village free thinker.²³⁰ A later economic authority would pronounce Wicksell "a turbulent social reformer of marked eccentricity of personal behaviour and judgement", "unbelievably naive", "a late-nineteenth-century 'funny'".²³¹ (Interestingly, neither the power Wicksell ascribed to Reason nor his penchant for making minor matters into major stands of principle--a

²²⁹ Gardlund 1958:

²³⁰ Mill also expressed personal sympathy with socialism while remaining the chief savior of an embattled Ricardian economics. The main fault Wicksell found in Malthus was his 'pre-Bentham' morality (Thorstein Gardlund, Life of Knut Wicksell, p. 113). Wicksell shows no sign of knowing about Thomas Cooper, whom he resembles in many ways far more than Calhoun.

²³¹ Lionel Robbins, "New Light on Knut Wicksell", in The Evolution of Modern Economic Thought, Aldine 1970, pp. 223-228.

perennial headache to his family and friends--sit very well with his ascription of self-interest to others). But later economists were still assured that while Wicksell may occasionally have lacked political sense, his economic work was a sound basis for the future development of technical economic science.

We should also note however that Wicksell was no mere technician and that before developing his interests in mathematics and economics, he had specialized in philosophy and languages, reading in English, German, and French; he also apparently had some knowledge of ancient Greek and classical Latin, and kept Cicero and other Latin authors by his bedside.

Now we are finally in a position to begin to address current economic science directly. Whether or not economists as individuals support some form of minority veto as an actual Constitutional provision (again, this book concerns the development of modern economic analysis, not the personal views of economists), Wicksell's new principle is held by economic orthodoxy to be the correct technical, 'pure theory', or scientific way for economists to analyze the theoretical relation between laissez-faire, public expenditure, and voting in a democracy.

In discussing the desirability of unanimity rules to get voters to 'reveal their preferences', economist Richard Musgrave states "This necessity was recognized by Knut

Wicksell, the Swedish economist who first developed this approach".²³² Similarly, Dennis Mueller:

Since all can benefit from the provision of a public good, the obvious voting rule for providing it would seem to be unanimous consent. Knut Wicksell (1896) was the first to link the potential for all to benefit from collective action to unanimity rule.²³³

According to Mancur Olson:

Generally speaking, economists writing after Wicksell have accepted his analysis of the basic problem of public expenditure.²³⁴

Recounting the precursors to his own work, Kenneth Arrow writes that his celebrated Nobel Prize-winning exploration of the formal logical properties of individual values and social choice is based on assumptions originating from a tradition within the economics of public finance:

In particular, economists in the field of public finance were forced to recognize that public expenditures, which are plainly a form of economic activity, were in principle regulated by voters. A voter who was also a taxpayer could usefully be thought of as making a choice between public and private goods; the actual outcome would depend upon the voting process. Problems of this type were studied by Knut Wicksell in 1896, Erik Lindahl in 1919, and Howard Bowen in 1943. These works tend in a general way to a combined theory of political-economic choice.²³⁵

²³² Musgrave, R. and Musgrave P., Public Finance in Theory and Practice McGraw-Hill 1989, 5th edition, p. 53, n.4.

²³³ Dennis C. Mueller, Public Choice II, 1983 Cambridge University Press, p. 43.

²³⁴ Mancur Olson, The Logic of Collective Action, 1965, 1971 Harvard, p. 100.

²³⁵ Kenneth Arrow, "Formal Theories of Social Welfare", in Social Choice and Justice, 1983 Harvard University Press, p. 129. None of the other influences Arrow cites in this

Speaking on the origin of his Nobel prize-winning work in social choice theory, James Buchanan relates:

I was greatly influenced by Wicksell on the one hand and by some of the Italian theorists on the other.²³⁶ One of my first published papers, in 1949, was basically a plea for a better methodology. My initial reaction to Arrow's impossibility theorem was one of unsurprise. Since political outcomes emerge from a process in which many persons participate rather than from some mysterious group mind, why should anyone have ever expected 'social welfare functions' to be internally consistent?²³⁷

So far we noticed the general resemblance between Calhoun's Doctrine of the Concurrent Majority and the findings of contemporary economic analysis, reviewed Calhoun's Doctrine at length, and then shown that Calhoun's Doctrine had been integrated into economics by Wicksell's new principle. We have not, however, explained just how this occurred in terms of economic theory. In order to understand how Calhoun's Doctrine came to be expressed in such concepts as 'revealed preference', 'collective action', 'choice', 'public and private goods', 'internally consistent social welfare functions', and the like, we must now turn to the larger development of modern economic analysis.

passage recommended unanimity rules. By Wicksell 1896 is meant of course "The New Principle". Eric Lindahl [1919] and Howard R. Bowen [1943] developed Wicksell's theories, and will be discussed below.

²³⁶ None of the Italian theorists of public finance (Pantaleoni, de Viti Marco, Einaudi) discussed minority veto.

²³⁷ James Buchanan, The Economics of Politics, 1978 (Institute of Public Affairs, p. 8). James Buchanan and Richard Wagner, Democracy in Deficit, rate Wicksell's importance p with Adam Smith and John Maynard Keynes.

What we can notice at this point, however, is that vis a vis our concern about the softness of social science methodology concerning the nature and origin of theories, is that the economic literature has not really got beyond the sort of justifications offered above--that the Rational Choice approach is simply the necessary logical concomitant of economic theories of inferred subjective consumer preference, or that it is simply obvious, or is something we should accept because economic orthodoxy has, or is something that one is 'forced to recognize', or that it is merely 'plain' or 'useful', or that it provides 'insights', or is a 'better' methodology than any other 'scientific' explanation.

4. What is the General Impossibility Theorem?²³⁸

. . . no voting scheme has ever been devised--and Arrow proved it is impossible to find one--that can guarantee majority voting will be consistent and will move society to its utility-possibility frontier.²³⁹

. . . public choice reminds us that collective choice in democracies is not guided by an invisible hand that always leads to an optimal or even efficient outcome.

Samuelson and Nordhaus, Economics²⁴⁰

. . . the mathematician Euler . . . before the court of Catherine the Great, challenged Diderot with the declaration,

$$\frac{a + b}{n}$$
 " ----- = x, donc Dieu existe--repondez!"

Innocent of the language of mathematics, Diderot lost his nerve and left the court in mortification.

When Arrow's Social Choice and Individual Values first appeared in 1951 some of us, I fancy, must have felt rather like Diderot, that we were being rather grossly imposed upon. Here was a parade of unfamiliar symbolism having all the earmarks of high rigour and thoroughness. And it followed--or so we were told by well-meaning colleagues--that welfare economics had ceased to exist. Any endeavour to construct a satisfactory social-welfare function was apparently doomed to dissolve into contradiction . . .

E.J. Mishan²⁴¹

²³⁸ Kenneth Arrow, Social Choice and Individual Values, calls his theorem the "General Possibility Theorem", but I will use the term "Impossibility Theorem" both because of the negative claim of the theorem--that majority rule does not have the properties we would wish of it--and because this is the more common usage. The discussion here will try to remain as non-technical as the subject matter will permit.

²³⁹ Paul A. Samuelson, Economics, p. 709.

²⁴⁰ Ibid, p. 712.

²⁴¹ E.J. Mishan, "An Investigation into Some Alleged Contradictions in Welfare Economics", The Economic Journal 68, Sept. 1957, pp. 445-54.

The General Impossibility Theorem is the best known logical theorem in the Social Sciences, and has sparked a major literature widely known as Formal or Axiomatic Choice Theory. Its initial aim was to prove that any attempt to aggregate Individualistic Welfare Functions into a Social Welfare Function must be doomed to collapse into a heap of logical self-contradiction and absurdity because any public policy program, whether designed by a single expert or a voting body, must logically issue in arbitrary, sub-optimal (Pareto inefficient) and dictatorial or imposed outcomes--unless it was designed by the unanimous consent of all likely to be affected. By demonstrating beyond all doubt the logical outcome of applying Pareto efficiency (now the keystone of orthodox microeconomics) to voting, Arrow effectively crushed the Social Welfare Function. The theorem's larger significance is the larger claim that all majority voting decisions must logically result in arbitrary, sub-optimal, dictatorial and/or imposed outcomes.

General equilibrium theory teaches that laissez-faire is the most efficient allocation of resources; that there may be distributional problems, but as a science economics can't speak about distribution, but government in a mixed economy can't do anything about the problems of a market economy because voting is logically contradictory.²⁴² Much of this

²⁴² See Kenneth Arrow's acceptance speech for the Nobel Prize in Economic Science, "General Economic Equilibrium: Purpose, Analytic Techniques, Collective Choice", reprinted

language must of course now seem familiar to the reader-- essentially all Arrow's Theorem was did was to reassert in a new form the old the Wicksellian unanimity criterion: "It is possible to compare two alternative social decisions only if there is essential unanimity".²⁴³

Arrow however added two powerful features which (partly unintentionally) obfuscated and so strengthened Wicksellian public economics. Arrow's first achievement was to put the new principle into the logic of formal relations, which gave it the form of scientific rigour and great scope as an apparently advancing scientific research program of the formal study of democracy. We should understand that in 1951 Wicksellian claims were not familiar to most economists, and were barely known to Arrow himself; Wicksell's new principle itself was still only available in its first edition, by 1951, an obscure out-of-print book published in German over 50 years before. In Social Choice, Arrow cited only Bowen,²⁴⁴ showing no knowledge at all of Lindahl's positive solution or Wicksell's new principle. Accordingly, when Arrow applied Pareto efficiency to voting in a using formal logic, it appeared to him that the

in The Collected Papers of Kenneth J. Arrow, Vol II., General Equilibrium, 1983 Harvard University Press, esp. pp. 222-225.

²⁴³ Kenneth Arrow, "Formal Theories of Social Welfare", in Social Choice and Justice, p. 122.

²⁴⁴ Bowen 1943 is cited in Social Choice and Individual Values, p. 8. See also Martin Feldstein, Handbook of Mathematical Economics, p. ? and Arrow 1984.

results were an unexpected result of the formalization, not of the special assumptions he was using.

In fact at first, despite the display of logical rigor, Arrow got it wrong, imagining that he had shown that all "choice", both public and private, was irrational or self-contradictory.²⁴⁵ James Buchanan, who had read and understood Wicksell's new principle and who was therefore unsurprised at the Theorem's conclusions, had to point out to Arrow that was missing the point, which was to demonstrate that laissez-faire maximizes subjective utility while representative government run by less-than-unanimous voting does not.²⁴⁶ The very success of Arrow's formalization, however, served to direct economists' eyes away from the theory's origins and toward developing the model further.²⁴⁷

²⁴⁵ Kenneth Arrow, "A Difficulty in the Concept of Social Welfare", Social Choice and Individual Values.

²⁴⁶ See James Buchanan, "Social Choice, Democracy, and Free Markets", op sit., and

Arrow acknowledges his debt to Buchanan in the second, 1963 edition of Social Choice, pp.

²⁴⁷ Paul Samuelson puts the attitude of the a priori mathematical economists towards history rather well: "We have all been bored by pedants' postmortems on the essence and nature of humor. And working scientists, to tell the simple truth, have neither the time nor the patience to bother with the history of their subject: they want to get on with making that history" Philosophers of science, historians of science, sociologists of science, may not be without honor in their own houses; but the customers who take in their washings, and swap garments with them, are unlikely to be working scientists still in the prime of life". Introduction to the Enlarged Edition of Foundations of Economic Analysis, Paul A. Samuelson.

Arrow's second great achievement, though it was also somewhat unintentional, was to add the paradox-of-voting, so-called, to the equation. While Arrow has trouble remembering exactly how he came up with his theorem, by his own account he already knew about Bowen 1943--majority rule violated Pareto-efficient allocation--when he came across an article on the paradox by the economist Duncan Black. Within several weeks after having decided to work on the problem, Arrow combined Bowen and Black into a formal logical equation, the first version of his famous possibility theorem.²⁴⁸

The 'paradox of voting' is as follows: let at least three voters differ over the order in which they would prefer at least three alternatives--so that voter 1 prefers A to B to C (more 'formally', $1-a \succ b \succ c$), voter 2 prefers B to C to A ($2-b \succ c \succ a$), and voter 3 prefers C to A to B ($3-c \succ a \succ b$)--whichever alternative wins in a round of voting will violate the majority's first preference; assuming free choice and no deals, in repeated rounds of voting the majority winning decision must cycle around arbitrarily. Therefore, logically, majority voting must be arbitrary.

²⁴⁸ See Kenneth Arrow, Social Choice and Individual Values, op sit, p. 6; Social Choice and Justice, op sit, pp. 129-130; and Arrow and Scitovsky, Ed., Readings in Welfare Economics, Richard C. Irwin, Inc., 1969, pp. 113-168. Arrow, perhaps through pride of discovery, thinks he might also have gotten wind of the paradox-of-voting earlier from some other source, but Wicksellianism, in any case, was in the air in theoretical economics of the 1940's: economic theory was beginning to "realize" that something about voting didn't quite add up.

Very much has been made of all this, but it will be argued here that the famed paradox is a not very interesting tautology. Whenever the 'paradox' is introduced, it is always presented with three "voters" with three contrary orders of preference, but if we take Okham's razor (nothing unnecessary) to the paradox and reduce the number of "voters" and their preferences down to two, so that "voter" number one prefers A to B, and "voter" number two prefers B to A, then the paradox is revealed for what it is: a simple tautology, leaving us with the not particularly profound equation that if we assume that irremovable conflict is inevitable then irremovable conflict must be inevitable. Keep adding new irremovable conflicts to the equation, and it looks all so rigorous.²⁴⁹

From the very beginning of the theorem's appearance, some observers have always argued that it was all nonsense.²⁵⁰ According to Dahl and Lindblom, the paradox of voting is a curiosity that mathematicians enjoy tinkering with. For years Gordon Tullock argued that the Theorem was a ghost that haunts economics classrooms with no relevance to the real world. These reactions are right in part--as concerns the paradox of voting--but they miss the substantive Wicksellian program that underlies it all, and how that program is designed to appeal

²⁴⁹ See E.J. Mishan, Ten Essays on Welfare Economics , who compares the paradox to the old Robinson Crusoe economics.

²⁵⁰ See Arrow, Arrow and the Foundations of the theory of Economic Policy, p. 645

to liberal thought.

Also, in ascribing three contrary opinions, the Theorem follows much of neoclassical and for that matter Wicksellian and Calhounian muddling of economic regulation versus rights. Paul Samuelson, in an illustrative version of the theorem, describes what the three voters might be as follows:

Let there be three individuals: Persons 1, 2, and 3. (1 might be a man, 2 a woman, 3 a panda; or 1 might be a Roman Catholic, 2 an evangelical Calvinist, 3 a militant atheist).²⁵¹

As is common in the literature, these examples are off the top of Samuelson's head, but why this set--or what at least are the resonances of this particular set? Catholics and Calvinists of course are the two branches of western Christianity which still take traditional Christian theology seriously (theology has always been a bugaboo of irrationality to liberal secularists), and to some the main significance of theology remains the bloodshed and intolerance of the Reformation. Such examples raise of course--though without further investigation or discussion--the possible conflict between voting and rights. If these contrasts aren't enough, we then get a militant atheist, a man, a woman--and a panda! With men, women, and pandas, we move towards more biological difference. Samuelson's choice of a panda needs some comment. Several articles have appeared in prestigious economics

²⁵¹ Paul A. Samuelson, "Sparks from Arrow's Anvil" , in Arrow and the Foundations of Economic Policy, N.Y.U. Press 1987, p.154.

journals which claim that animals may be said to have utility functions. Economists apparently like the scientific biological aura and the universality such functions imply (see? All preferences can be modeled!). Georgescu-Roentgen, an orthodox economist turned increasingly skeptical, handed in his resignation to the American Economics Association in disgust and protest over the publication of such articles in the leading journals of the field. The flip side of ascribing utility functions to pandas, however, is to make utility functions so universal or empty as to be vacuous: making a panda talk. But there is substance here, or rather old claims in new garb. Samuelson accurately reflects Arrow and much of the literature in choosing possible voting conflicts that involve not only irreconcilable difference, but examples which suggest that voting is incompatible with or dangerous to rights (i.e., Catholic or Calvinist voters, male patriarchy, . . .). But again, we're talking about Wicksellians here. Can voting violate rights? Of course, and the suggestion touches a certain nerve in modern majoritarian thought. First of all, the guarantee of rights is not possible when minority veto is the Constitution, something the Choice literature figured out about twenty years after Arrow (Wicksell is still ahead of the current literature here, for he leaves minority veto only in taxation and expenditure). It is precisely majoritarian systems that have rights, either by custom, or by custom backed up with an independent judiciary that no minority can

veto. The power of courts to enforce rights is by appealing to established principles that are generally accepted.

But finally, by universalizing 'difference' formal choice continues to conflate, as did Calhoun and Wicksell, the protection of rights (expressive or procedural) with the protection of vested interests. "Who would tell us of our interest?" Samuelson gives us identity politics as the instantiation of Arrow's Wicksellianism.

Arrow gives another example without going much further either, of three contrary positions on war--hot, cold, or pacifism. But since each utility function is separate, Arrow can go no further, say to foreign or military expertise or to ideology, which can be disputed. Since neither facts nor any real political debate are allowed into the equation, of course we are left in a quandry. Assume there will be conflict, then there must be conflict. To conclude anything more substantial than such banality requires extra assumptions. By combining several very different traditions, Arrow created a powerful logical--but part of its very power was that it was a muddle.

Part of what was going on in Arrow's Theorem was to complete the project, left incomplete by Hicks and Robbins et al, of joining Wicksellianism with the new mathematical ordinalism. Interestingly, the original ordinalist, Pareto himself, left an interesting passage in which he assigned formal labels to contending political groups in the emerging

democracies of Europe, what Pareto called 'demagogic plutocracy':

Let us assume a society composed of a dominant collectivity A and a subject collectivity B, which are clearly hostile to each other

At first, in this society, a part C, which partakes of both of the adverse parts A and B, comes between them, and may be now on the one side and now on the other. Later part A divides in two: one part, which we will call Aa, still has enough strength and energy to defend its share of authority; the other part, which we will call Ab, is made up of degenerated individuals, with feeble intelligence and will, *humanitarians*, as is said today. Similarly part B divides into two: the one part, which we will call Ba, constitutes the new aristocracy which is rising. It also consists of elements of A who, through cupidity and ambition, betray their own class and assume leadership of the opposition. The other part, which we will call Bb, is composed of the common herd which forms the largest portion of human society.

Objectively the struggle consists solely in the Ba trying to take the place of the Aa; everything else is subordinate and incidental.

In the war the leaders, that is the Aa and the Ba, need soldiers, and each side seeks to find them where it can.²⁵²

Pareto then goes on in this vein. The passage is interesting as an application of ordinalism to voting without the benefit of either the paradox of voting or the Wicksellian tradition. Pareto of course also injects his own ideology of power politics, class warfare, rule by groups and elites, and his own contempt for the public into the model. But there is still this in common with later economists: the ordinalism reduces democratic politics down to irreconcilable conflict, while making markets perfectly optimal. However, if instead of taking the number of 'voters' down to two, we increase the

²⁵² Vilfredo Pareto, Manual of Political Economy, p. 91.

number of voters, then it begins to look very powerful on paper.²⁵³

Observers unfamiliar with the neoclassical roots of Arrow's Theorem continue to misunderstand it simply as a logically rigorous form of the paradox, an impression fostered in part by economists' attempts to explain Formal Choice to non-experts, but also by the second edition of Arrow's Social Choice and Individual Values [1963]. Arrow invites us to see the formal choice literature as the direct descendant of those mathematicians who had concerned themselves with the paradox, what we will call the paradox of voting tradition: Borda, Condorcet, Dodson, Nanson, Black.²⁵⁴ From a convinced

²⁵³ The essential point here is made by E.J. Mishan: "This result should hardly surprise us. If you begin with a contradiction, open or hidden, and call it by another name, say 'indifference', by appropriate inferences you will arrive at a contradictory conclusion". Mishan 1957, p. 448. , op sit; also Mishan 1960: 23, who sees it as another version of the Robinson Crusoe metaphor. The paradox has also been referred to as a musical chairs theorem (an apparent attempt to inoculate criticism rather than fuel it); and Charles Fried, who also recognizes the 'paradox' as an interesting tautology.

Similar though more vague views, have been made by Dahl and Lindblom 1953: 422, who say "The paradox of voting, as it has been called, is a minor difficulty in voting that people with a mathematical turn of mind enjoy toying with." ; Gordon Tullock 1968?: 256-270), who characterized Arrow's Theorem as a "ghost", and Murray Kemp 1951, who finds Arrow's assumptions both unreasonable and uninteresting. The sense of these commentators is not very far off, but to characterize the 'paradox of voting' tautology even a minor difficulty is generous. The Calhoun-Wicksell-"Paretian" tradition, on the other hand, is clearly a political philosophy of some substance, whatever else one might think of it.

²⁵⁴ Arrow acknowledges that Black's work was his initial inspiration, but argues that the paradox of voting

mathematical-ordinalist point of view, the paradox of voting looks very powerful, since it appears to demonstrate prima facia and a priori that majority rule must violate the cardinal rule of consumer sovereignty. Arrow already "knew" from Bowen that majority rule violated the marginal utility of the individual. The paradox of voting "proved" logically that a majority decision must be arbitrary as well. Essentially Arrow noticed that both Paretian ordinalism (Bowen) and the paradox of voting (Black) both appeared to problematize voting, so he simply wrote down a logical theorem combining the two.

But it was hardly so simple. On top of Calhounism, marginalism, Wicksellianism, and ordinalism, then, is placed yet another oeuvre'--by a brilliant young mathematical economist who had however only a dim cognizance of the larger traditions he was putting together into his logical theorem.

Interestingly enough, James Buchanan writes that he was relieved by the paradox: better that voting and government end in arbitrary rather than oppressive results. In this Buchanan rather uncharacteristically missed one of Wicksell's emphases: that majority rule is arbitrary and accidental, like a roulette wheel.

But to the extent that Arrow and rest of the Formal Choice

was well-known. See "Formal Theories of Social Welfare" in Kenneth Arrow, The Collected Papers Of Kenneth J. Arrow, Harvard 1983, p. 130. Relying on Bowen, Black, and something Arrow can't remember, is a very thin knowledge of these larger traditions.

literature claim to be combining Black 1949 (or the paradox of voting tradition) and Bowen 1943, the Theorem itself is logically incoherent: though the paradox of voting tradition gave undue attention to an uninteresting triviality, it did have substantive views on majority rule which are fundamentally incompatible with the Calhoun-Wicksell tradition. The writers in the paradox of voting tradition do not try to justify laissez-faire with a universalistic hypothetical theory of subjective preference, do not identify the public/private distinction with a simplistic coercion/consent distinction, and never idealize unanimity rules over majority decision; on the whole the paradox of voting tradition recognizes the validity of public judgement made in its own terms. Arrow's Theorem, in other words, when portrayed as the product of the paradox of voting tradition and the Wicksellian Tradition, is fundamentally incoherent or logically contradictory, though this also has been obfuscated by the use of formal logic. The problem with formal models (Fierce Mathematical/logical rigour) is not empirical slackness, but soft, vague assumptions, an old problem in economics at least since Jevons' 'rigour' and nonspecification.

The 'paradox' of voting was largely ignored until Arrow tacked it onto formalized Wicksellian-Paretian assumptions in 1949 and 1951: the Paretian assumptions are what gives this theorem its basis in economics. Until Arrow's work, the

voter's paradox remained in obscurity, largely ignored even within mathematics (Black continued to be largely ignored even after Arrow).²⁵⁵ Though the public choice literature claims that Arrow's Theorem can't be overcome, those mathematicians who worked with the paradox thought they had overcome the paradox (the solutions generally revolve around the plurality winner and limiting manipulation of the rules), but such solutions violate Arrow's Paretian-Wicksellian conditions. This may be seen in the defenses of majority rule by Condorcet and by the 'co-founder' of formal rational choice, Duncan Black.

Of the early mathematicians who worked with the paradox, only Condorcet even bothered to defend majority rule in verbal terms. Condorcet seems to have become concerned about the 'paradox' less because he found it such a difficult conundrum than because absolute monarchists at the time of the French revolution were trying to use it to discredit republican

²⁵⁵ See William H. Riker, 1991, Obituary on Duncan Black.

Modern work on the voter's paradox began with the French mathematicians Borda, Condorcet, and Laplace, and continued on with the nineteenth century mathematicians Nanson, Galton, and Dodgson. In the first edition of Social Choice and Individual Values, Arrow was only aware of only of E. Nanson, and then apparently only after his formulation of the theorem. The modern history of the voter's paradox has been researched by Duncan Black, whom I will follow. Borda's work is translated and reprinted in Isis 44 (1953), pp. 42-55; Condorcet's in Condorcet: Selected Writings, Keith Michael Baker, Ed., 1976 Bobbs-Merrill, (pp. 33-70). Dodgson was obscure about his sources, but seems to have been familiar with earlier work. His work is reprinted in Duncan Black, The Theory of Committees and Elections, Cambridge 1958, 1968. Black also discusses Laplace and Galton.

government.²⁵⁶ Condorcet's basic solution to the voter's paradox is simple: if no alternative can reach a majority, then the plurality winner ought to win. All that remained was to devise a system of voting which would not be unduly manipulated and which ensured that all alternatives were considered.²⁵⁷ Condorcet had resolved the paradox to his own satisfaction, and his now-famous paradox occupied but a few pages of his larger book.

Though Condorcet thought he had resolved the 'paradox', the choice literature holds that Condorcet's solution is inadequate. The difference is that Condorcet did not share the assumptions of Arrow's 'reasonable-looking' conditions. In particular, Condorcet assumed that compromise and institutions are a legitimate part of the political decision-making process, independent of hypothetical consumer 'preferences'; Condorcet lacked an ideology of inferred atomistic preference.

²⁵⁶ Dodgson also worried that malevolent minorities might try to short-circuit a majority decision from being reached. It should also be noted that Condorcet had a rather bizarre view of what science could accomplish for representative government. Solving the paradox of voting was only the second use he found for mathematics in politics. In Condorcet's view the more important application was a system of calculating the percentage of "correct" choices a representative body (made up of experts) had made into a rationality quotient, which was to be used to weight that representative's votes. The representative body would thereby gradually be made more rational over time, without any substantive judgement being made by the decision-rule designing mathematician.

²⁵⁷ Condorcet, *op sit*, p. 51. Bora's solution was to assign a number to each ordered preference. If no majority decision was reached, then the motion with the highest number carried.

He also thought that a government with the conventional set of modern democratic institutions (periodic elections, widespread freedom of speech, the rule of law, and competent representatives--this last especially worried Condorcet), could generally be expected to act for the public good. Condorcet also assumed that from the viewpoint of public policy and constitutional government, minority points of view aren't as important as the responsible decision of the governing majority, as long as the decision reached did not violate the rule of law.²⁵⁸ In contrast, in Arrow's Theorem any change in outcome effected by the institutional framework of government is described as imposed. Legislation is more than the mere registration of interest.

But the contrast between the voter's paradox and Arrow's Theorem is most obvious in the reaction of the 'co-founder' of formal choice, Duncan Black, who unlike his deceased predecessors in the paradox-of-voting tradition was alive to

²⁵⁸ Condorcet favored a parliamentary system with a unicameral legislature and expressly opposed checks and balances as contrary to the formulation of rational public policy--a swipe at eighteenth century British and American constitutional theories. He was thinking of a system something along the lines of a parliamentary system without parties. His adoption of the concept of the general will allowed for far less partisan conflict than does majoritarian theory today, which is predicated on competing parties. Condorcet's decision-rules were adopted into the program of the Girondists, who needed a platform to compete with Robespierre's program. The Girondists lost out soon afterwards, however, and Condorcet went to the guillotine. See William V. Gehrlein, "Condorcet's Paradox", Theory and Decision 15 (1983), pp. 161-197; Bernard Grofman & Scott Feld, "Rousseau's General Will: A Condorcetian Perspective", APSR 82 (2 June 1988), pp. 567-576.

respond: Black rejected Arrow's work.²⁵⁹ Black was a consistent majoritarian, and all the majoritarian work in the choice literature (whether openly acknowledged or not) owes much to Black's models, sometimes in work not unuseful in empirical work.²⁶⁰

Why didn't the paradox of voting lead Black to advocate, even theoretically, minority veto as a 'reasonable-looking' mode of determining social choice? Black in fact considered super-majorities (he called them 'special' majorities) at

²⁵⁹ See Duncan Black, "On the Rationale of Group Decision-Making", Journal of Political Economy, Feb. 1948; "The Decisions of a Committee Using a Special Majority", Econometrica, July 1948, "The Elasticity of Committee Decisions with an Altering Size of Majority", Econometrica, July 1948; "The Elasticity of Committee Decisions with Alterations in the Member's Preference Schedules", South African Journal of Economics, March 1949; "The Theory of Elections in Single Member-Member Constituencies", Canadian Journal of Economics and Political Science, August 1949; The Theory of Committees and Elections, Cambridge 1958, 1968; "On Arrow's Impossibility Theorem", The Journal of Law and Economics, 12 (Oct. 1969), pp. 227-248; and post-humously "Arrow's Work and the Normative Theory of Committees", Journal of Theoretical Politics 3 (3 1991): pp. 259-276.

²⁶⁰ Black is also a better counter-example to Arrow than, say, Downs. Downs 'overcomes' Arrow's Theorem with the theory of teams, but the argument is posited in Arrowvian terms and Downs never explains why the team that takes over a party in a particular round of voting is not an arbitrary oligarchy. Empirically, Downs' is the single most useful work of the public choice literature, since it does ask questions about whether particular political actors and events are dominated by specified interests or ideology, but his failure to come up with a coherent theoretical defense of majority rule has resulted in a barrage of attacks on by the empirically barren axiomatic rational choice literature. See Anthony Downs, An Economic Theory of Democracy, op sit, and "In Defense of Majority Voting", Journal of Political Economy 69 (Apr. 1961), pp. 192-199; Gordon Tullock, "Problems of Majority Voting" Journal of Political Economy 67 (Dec. 1959), pp. 571-579.

length in his original work, but as special cases: as in the formulation of company operating laws; in amendments to a constitution; in the formation of cartels to stop falling prices in a depression; in international agreements, where unanimous decision is necessary for effective agreements; on the U.N. Security Council, where majority rule would transgress national sovereignty and fail to reflect the balance of international power; and within a cabinet government that needed internal consensus to hold onto a parliamentary majority. None of these uses transgressed against traditional notions of majority rule within a given polity. Black also made it clear that any tampering with majority rule within a sovereign legislative body, as in proportional representation, would be a bias toward the status quo. From the beginning Black assumed that there is an inherent virtue in energy in government, and that both the ideological spectrum of left to right and funding levels offered a continuum of policy alternatives that made comparisons of policy preferences coherent and rational.²⁶¹

Black was always puzzled by Arrow's Theorem.²⁶² He thought that

²⁶¹ This is the significance of Black's single peaked curves. Black had dismissed ordinality in majority decision out of hand in his original work ("On the Rationale of Group Decision-Making", op sit), and later argued that the use of ordinality in analyzing majority decision completely misunderstood the difference between politics and economics. See The Theory of Committees and Elections, op sit, p. 19.

²⁶² Ibid, pp. 19, 55. Black argued that ordinality was a jump from is to ought that had no application to politics, and objected to pair-wise comparison on the basis of

Arrow had only added technical refinements and odd conclusions to his own work and eventually concluded that Arrow's Theorem is of no determinate significance since unanimity rules are an unreasonable mode of determining social choice.²⁶³ Black even characterized Arrowvian unanimity rules as a bizarre reification of Poland's unworkable liberum veto, and stated that he was unaware of any who thought that this arrangement had produced good government.²⁶⁴ But from the viewpoint of American political theory unanimity rules are hardly of indeterminate significance. Though he would later consider Wicksell, Black ended up arguing that economic theory was only being misapplied: he didn't fully realize that a new theory underlay Arrow's Theorem in the application of Pareto efficiency to voting. Black was simply mistaken when he thought Arrow had added nothing substantive to his work.

complementary goods: "In Economics, if the price that a person is willing to pay for a given quantity of one good depends on the quantity of another good that he expects to possess, the two goods are said to be complementary, in relation to his valuations.

Similarly, in the theory of committees, if a member's ranking of the motions on one topic depends on the arrangement that he expects to be in force in regard to another topic, the motions are said to be complementary in relation to his valuations."

"There is no doubt that, whether in politics or economics, complementary valuation is the rule and independent valuation the exception." The Theory of Committees and Elections, op sit, p. 125 ff.

²⁶³ Duncan Black, "Arrow's Work and the Normative Theory of Committees", op sit. Also, see "On Arrow's Impossibility Theorem" Journal of Law and Economics 12 (Oct. 1969), pp. 227-248.

²⁶⁴ Black, *ibid.*

All the writers in the paradox of voting tradition were all majoritarians of one stripe or another, and they remained majoritarians. Why then didn't the paradox lead those who worked with it to advocate unanimity or supermajority rules as a solution? From the evidence we have, the thought never even occurred to them, even when they discussed supermajority rules. One reason is clear: the majoritarians in the paradox of voting tradition rejected minority veto out of hand because unanimity rules don't resolve the paradox of voting. Again, the 'paradox' is presented, at its most simple, with three voters or three voting blocs, so the majority in question is a two-thirds supermajority: technically speaking the voter's paradox (and therefore cycling) affects even supermajorities.²⁶⁵ If one insists on assuming absolutely random conditions, then only total unanimity will stop 'cycling'. Nobody in the choice literature recommends absolute unanimity because this would be "too stringent" (no significant figure in the Calhounian tradition recommenced absolute unanimity anyway), and would still admit a 'dictator'; the last voter could theoretically hold the rest hostage. But theoretically

²⁶⁵ See Duncan Black, "The Decisions Of A Committee Using A Special Majority", Econometrica 16 (July 1948), p. 261. Norman Scholfield, Bernard Grofman, and Scott Feld ["The Core and the Stability of Group Choice In Spatial Voting Games", APSR 82 (1 March 1988), p. 195-211] argue that supermajorities are stable, but this conclusion is based on a confusion of two levels of analysis. Yes, contrary to what one would expect from the axiomatic choice literature, supermajorities in the real world are stable--but so are simple majorities.

this could occur at any voting threshold: the actual size of the supermajority in Calhounian systems is fundamentally arbitrary. The outcome of course (if one buys into this set of arguments at all) is that even supermajorities get 'stuck' between cycling supermajorities and arbitrary dictatorship or oligarchic imposition. One could argue of course that it is better to have arbitrary decision with supermajorities than with simple majorities, but this is an argument from the principle of unanimity rather than a 'solution' to 'cycling'. Just as from the social choice point of view absolute unanimity allows a dictator, from the majoritarian point of view minority veto simply admits imposition by a an oligarchy, and all the more so when the advocates of minority veto (whether actual or hypothetical) have no standard as to the size of the vetoing minority--and, from the majoritarian view, the whole theorem unravels, unless held in some formal theoretical ether which avoids making theoretical choices about formal choice assumptions.

Any results of Formal Theory beyond uninteresting tautologies, then, are to be had from the Pareto rule. What majoritarians have failed to realize, or have only sensed, is that a new theory, half hidden, underlay Arrow's Theorem in the Pareto principle.²⁶⁶

The revolutionary quality of applying Pareto efficiency to

²⁶⁶ See Duncan Black, on Wicksell, Dundee School of Economics.

voting was not entirely apparent for several reasons. First, by the 1940's and 50's, ordinal utility and the Pareto principle had become authoritative principles in Economics--though the full ramifications of the revolution for public economics wasn't yet apparent. Secondly, both the paradox of voting and marginalist/ ordinalist traditions tautologously assume atomization, reducing 'choice' down to ordered and differing preferences.

One of the more striking aspects of axiomatic choice is that while the literature continues to happily churn out logical theorems about the impossibility of stable majority decisions, majoritarian democracies continue to go on making stable decisions and functioning relatively smoothly all the time.²⁶⁷ Empirically speaking, then, impossibility theorems and voting paradoxes over-emphasize the amount of actual political conflict within modern democratic regimes. It has been suggested that even analytically speaking, any dramatic instability in a majority coalition would be noticed and

²⁶⁷ Discussions of the glaring lack of empirical basis of rational choice include Robert A. Dahl, A Preface To Democratic Theory, (pp. 90ff); Terry Moe , and Green and Shapiro 1991. These behavioral analyses however suffer from two weaknesses; the the failure to deal with the radical a priorism of economic theory or to note the existence of identical complaints in the economics literature of the past 160 years (see, for example, Clapham 1924). From the perspective of traditional political theory, such behavioral analyses also fail to press the philosophical questions, though Dahl and elsewhere Shapiro (19) do at least speak to the fundamental issues.

measures would be taken to correct it.²⁶⁸ But it is not just that there is no empirical basis for 'cycling': the results are conditioned purely by the assumptions that go into the theorems. William Riker writes candidly:

. . . these theories of (voting) disequilibrium concern values, preferences, or tastes, not constitutions and political structures.²⁶⁹

The disequilibrium of voting shown by the formal choice literature has nothing at all to do with the practical experience of democratic institutions, but are purely a function of the assumptions that go into the models: values construed in the loaded terms 'preferences', 'tastes', 'utility', 'satisfaction', etc. The real question the formal choice literature poses is whether it is possible analytically to get stable 'tastes', 'preferences', 'utility', etc., out of unstable or atomistic 'tastes', 'preferences', 'utility', etc. Again, Riker:

An equilibrium of tastes and values is in theory so rare as to be almost nonexistent. And I believe it is equally rare in practice. But individuals in society are more than ambulatory bundles of tastes. They also respect and are constrained by institutions that are intended to induce regularity in society. And it is the triumph of constraints over individual values that generates the

²⁶⁸ Brian Barry, Political Argument (Harvester Wheatsheaf 1965, 1990), suggests that even from a purely analytical point of view, any majority that notices such instability in the decision-making process (i.e., in the jargon of the field an iterated or repeated prisoner's dilemma) will take action to stop it, such as by passing more long term laws and by building larger margins into the majoritarian consensus.

²⁶⁹ William H. Riker, Liberalism Against Populism, p. 189.

stability we observe. But tastes and values cannot be denied, and they account for the instability we observe.²⁷⁰

We should notice that Riker here uses the term "observed" in two senses, the relative stability of majority rule that both common sense and searching empirical study confirm all the time, and the instability "observed" from orthodox economic models of "tastes", or "preferences" derived from arbitrarily ordered preference schedules.

Leaving aside both the Wicksellian and paradox-of-voting traditions for a moment, however, the 'instability' result is not even surprising given its basis in marginal utility analysis. The methodological individualism of Neoclassical economics has trouble making sense of any institution other than as a residual, a short term anomaly, an empty box, or as a mathematical function of inputs and outputs; so of course representative governing institutions which make substantive decisions about how to regulate markets are likely to appear arbitrary and intolerable--and all the more so to those who spend their careers learning and teaching a craft that idealizes laissez-faire. Compare here the intransitivity results of formal choice with Thorstein Veblen's famous warning about the neoclassical assumptions of individualistic hedonism and atomistic competition, made in 1909, long before the rise of formal choice theory:

It is not simply that the hedonistic interpretation of

²⁷⁰ Ibid, p. 190.

modern economic phenomena is inadequate or misleading; if the phenomena are subjected to hedonistic interpretation in the theoretical analysis they disappear from the theory; and if they would bear the interpretation in fact they would disappear in fact. If, in fact, all the conventional relations of pecuniary intercourse were *subject to such a perpetual rationalized, calculating revision, so that each article of usage, appreciation, or procedure must approve itself de novo on hedonistic grounds of sensuous expediency to all concerned at every move, it is not conceivable that the institutional fabric would last over night.*²⁷¹

The outcome of 'voting' under such random conditions will of course wander around arbitrarily.

Again, one should not be particularly surprised that you can't get anything more than arbitrary bundles of 'tastes' out of arbitrary bundles of tastes, atomistic results out of atomistic assumptions, or random numbers out of random numbers. We are here of course back to the Ricardian vice of circular reasoning that continues to plague economic analysis. If we assume that random results supposed in hypothetical models of markets are economically efficient because consumers chose them and because competition keeps prices at marginal cost, then of course the random results of markets must be optimal. And of course if voters choose that government intervene into markets, then that choice much be sub-optimal if those markets are already operating optimally or are heading in that direction.

In order to save this 'theory' of instability from the

²⁷¹ Thorstein Veblen "The Limitations of Marginal Utility Analysis" [1909], in The Place of Science in Modern Civilization, Russell & Russell 1961, p. 251. [My emphasis].

phenomenon of stability in actual democracies, Riker has invoked the idea of 'institution-based equilibria': institutions such as committees, Parliamentary rules of Procedure, etc. 'cause' stability. But invoking the concept of institutions is purely analytic; nothing empirical is involved, and it acts much like Veblen warned: sweeping, arbitrary, and abrupt, a *deus ex machina* called in to save the plot. And the plot suffers. If 'institutions' prevent 'instability' then the whole characterization of cycling as a regular empirical problem of democracy collapses, leaving us with the silly claim that Riker implies above, that institutions such as parliamentary rules of procedure or legislative committees constitute some sort of illegitimate, unfortunate, or perhaps regrettably necessary dictatorship or imposition over individual values.²⁷² There is no empirical proof but we now 'know' mathematically that democracy must be irrational and imposed. This sense was captured well in the first edition of Arrow's Social Choice and Individual Values, the condition of non-imposition) which violate the freedom of the individual.

But non-imposition is not what common sense would call imposition: for Arrow, in effect, all political institutions

²⁷² However, see Bertrand de Jouvenel on how parliamentary procedures help large deliberative bodies deal with time constraints. Committees also of course allow for legislative specialization and expertise, representatives' desire for making good public policy, and the better representation (good or bad) of interests.

and customs are imposition (individualism isn't a custom).²⁷³

Condition one, rationality or transitivity, is the assumption of ordinality, that the universe of human decisions can be placed in rank order and that there can be no interpersonal comparisons of utility. Condition number two, positivity, is Wicksell's initial criticism of majority rule: majority rule violates or at least ignores Pareto efficiency; in contemporary terminology that each change must improve the situation of at least one and be indifferent to all others. Condition three, pair-wise comparison or the condition of 'irrelevant' alternatives, prohibits changes in individuals' utilities from affecting the outcome; there can be no changing of minds, learning, political leadership, etc.: the model is to be purely static. (Interestingly, writing before Arrow and apparently without knowledge of what was going on on the frontiers of economic theory at the time, Richard Hofstadter noticed perceptively that Calhoun's Doctrine is a static response to an essentially dynamic process; Louis Hartz made a similar point and warned that the conflict between the two must destroy the system). In Arrow's Theorem, this condition

²⁷³ This point is not meant to impugn the study of institutions, only the arbitrary invocation of 'institutions' to save a model incompatible with institutions. On the reasonableness of institutions, see Aaron Wildavsky "Choosing Preferences By Constructing Institutions: A Cultural Theory Of Preference Formation", APSR 81 (1 March 1987), pp. 3-21; Mark Granovetter, "Economic Action and Social Structure: The Problem of Embeddedness", The American Journal of Sociology 91 (3 Nov. 1985), pp. 481-510, and James G. March & Johan P. Olsen, Rediscovering Institutions.

remains the same: the condition of 'irrelevant' alternatives prevents new elements from entering a static equation--as is necessary to the theory.

One concept central to democracy and to the work of legislation is compromise. Calhoun's actors never really compromise, and neither do Arrow's, for that would be imposition and irrational choice, and, if the compromise happened to land momentarily on one ordered preference, 'dictatorship'. Formal 'dictatorship' has nothing to do with the nature of political dictators; tyrants may rule with the sword of Damocles hanging over their heads, but they generally rule longer than a momentary mathematical calculation, and the current Economic literature notwithstanding, are not especially associated with regular, fair, and free elections. Non-Dictatorship is in part an updated version of Calhoun's old charge that majority rule is absolutism--but this claim is fundamentally tautological also. Assume that there are only contrary interests, that there is no such thing as the public good or the national interest, and forbid all any and all compromise: if the decision must land on one arbitrary ordered preference then 'logically' any decisive voting procedure must be the 'dictatorship' of that ordered preference.

The exact logical structure of Impossibility theorems is somewhat arbitrary, and can be written a myriad of different ways, but they generally include ordinalism, Pareto applied to voting, and the paradox of voting. In a reformulation of his

theorem, Arrow has redefined his first three conditions as Pareto optimality;²⁷⁴ as numbers four and five (non-imposition and non-dictatorship) are also necessary to the Pareto principle, the whole theorem strongly implies and may be redefined as the implications of Pareto efficiency.

In the whole history of the paradox of voting tradition minority veto was simply never considered as an alternative, either practically or even in the most rarified theoretical sense. In the pre-Arrow paradox of voting tradition, if the 'preferences' of the 'voters' stay the same, the result is either inaction or arbitrary decision, not unanimity. The General Impossibility Theorem, in contrast, makes no sense without the unanimity criterion; political deadlock in other words must be seen as a positive good, allowing consumers to optimize their subjective satisfactions in the marketplace. Essentially, neoclassical 'price' theory (with no prices) claims that markets result in an equilibrium of tastes, but that voting and government can't result in an equilibrium of tastes.

So why should two such logically incompatible traditions--Wicksellian approximately unanimous decision rules and the majoritarian paradox of voting tradition, get combined, and then remain so without serious challenge in the literature for over 50 years? First of all, on a formal superficial level, both shared the form of ordered preference schedules, which

²⁷⁴ Arrow, Social Choice, 2nd Ed., pp. 96-100.

looks very powerful to those for whom theory ('real theory') is confined to formal logico-mathematical models.

Also dropped as the tradition was developed were any aspersions on the intelligence of voters in the mode of Mill, Wicksell, and Pareto, and any hint of a tension between capital and labor, or rich and poor, as in Lindahl, Bowen, or Hagstroem. But it must be said that part the reason for this transition was methodological: the program of the ordinalists was to shed the more controversial parts of the neoclassical model and to mathematicize what remained. Once the ordinalists had got rid of distribution, for example, a profound silence ensued on the question of class, and economists began using increasingly mathematical models of "the" consumer. Accordingly, as Wicksell's new principle was developed into mathematical models, all discussion of class dropped out and we are left with rigorous and 'pure' mathematical analysis of "the" individual's utility function.

Further, by the time we get to Arrow's theorem, the entire question of property and inequality has dropped out of the equation. While Wicksell cast aspersions on those he called the 'less intelligent', the new principle made it possible to attack the voting process without attacking the competence of the electorate at all: the voters are ok, it's the voting process that's mathematically illogical. While Lindahl and Bowen make it clear that they are out to protect private property, but this too could be jettisoned. The transition may

be seen somewhat starkly between Bowen 1943 and Arrow 1949/1951/1963: where Bowen says openly that it is the preferences of the rich that are especially supposed to count, Arrow now asserts that it is the preference of the individual that is supposed to count. Arrow drops property and distribution completely out of the model and shifts the discussion to libertarianism. In the second 1963 edition of Social Choice, Arrow adds a whole chapter on the paradox of voting tradition--courtesy of Duncan Black's research, but still fails to say anything at all to say about Bowen's predecessors.

And all this suggests the reason why combining two logically incompatible traditions (Wicksell et al and Black et al) into a formal logical theorem was so successful: attacks on majority rule of the Wicksell-Lindahl-Hagstroem-Bowen type, in which the benefit principle and protection of property is prominent, would not be as likely to convince, and might even cast doubt on the assumptions and methodology of economic theory. The public choice branch of rational choice theory, which parades its Wicksellian ideas openly and unadulterated, has never had the influence of Arrow's formal work.

Secondly, any discussion of the pre-history might be interesting, and might even be used to show that Public Choice too had a venerable past, but in a sense it was all rather beside the point: scientists, after all, are interested in moving science forward, not the dead history of the outdated

scientific knowledge--and besides, the economists who did pay attention to such things are generally not mathematical economists. Why was the paradox of voting muddle, then, so effective? Because the 'paradox of voting' tradition comes from outside economics and gave to Arrow's Theorem what it could not so easily claim as a form a Wicksellian-Paretian public economics: an objective, value-free cast--any voter, any preference, with not a hint of anti-democratic sentiment or distributional bias. To the extent that anyone asked what the intellectual background of rational choice was, one could now point to the paradox of voting tradition as well as to the authority of mathematics and formal logic. Thus the power of Arrow's Theorem.

And now that Wicksellian economics was mathematicized into formal theory, claims that neoclassical economics is essentially propaganda for laissez-faire could now be dismissed as superficial, since now it was telling us important things about the nature of democracy and choice--and, most importantly of all, the Theorem introduced and proved beyond all doubt the usefulness of a priori mathematical reasoning in economics. Arrow's Theorem not only knocked the leg out from under democracy and the public sector, but became a primary methodological justification for the new dominance of mathematical Walrasianism.

A similar parallel can be found in the use of the benefit principle--that each should receive back what they pay in--by

Calhounism, which called so emphatically for equal treatment and liberty--in order to defend a slave system. This same philosophical trope then gets handed down to the Wicksellian-ordinalist tradition, which also adopts the benefit principle and insists emphatically that all be treated equally by government--while banning interpersonal comparisons between rich and poor! This has been missed either because observers have taken the assumptions of the theorem at face value, either because of naive common sense or through professional training as economists.

The theorem is held to be a model of scientific rigor, of 'real theory' as opposed to 'just talk', and has inspired quite a daunting literature. Yet like much of the mathematical pure theory of modern economics, the theorem has little empirical basis (as opposed to what philosophers would refer to as intuitive plausibility), what one observer has called fierce mathematical rigor in formulation and unending slackness in application.²⁷⁵ Mathematical theory is supposed to be real theory, not just talk. Yet for all the display of logical rigor and the haughty dismissal of the spoken or written word, these theorems are oddly dependent on anecdotes (Calvinists, pandas, etc.) and assumptions that are supposed to be 'reasonable-looking'. The result is that we end up getting good old (or bad old) fashioned traditional political

²⁷⁵ See Martin Shubik, "A Curmudgeon's Guide to the Economic Literature".

philosophy expressed obscurely in logical and mathematical terms. Logic may clarify certain relationships, but it might also privilege dogmatic philosophical assertions.²⁷⁶

So far we have shown how economists came to adopt such a discredited theory, but we should at least note the historical context. After being largely ignored in Europe for 40 years, Wicksellian public economics came to America in the late 1930's and had triumphed by the mid-50's. The concluding chapter of the 1951 edition of Samuelson's Economics gives the following account of the state of the world at the time:

A half-dozen years after World War II, what is the outlook? The world divided into two great blocks: Soviet Russia and Siberia with her satellites of Eastern Europe and Asia stand within the Iron Curtain; and outside is the rest of the world. But the nations outside the Iron Curtain are far from homogenous. Labor-Socialist governments are now ruling, or have recently been ruling, in Britain, in Australia and New Zealand, and in all of Scandinavia. Various forms of dictatorship still linger on in Spain and Latin America. France, Germany, and Italy have within them noisy and articulate left-wing political parties. The awakening nations of Asia and Africa do not view the world with laissez-faire tinted glasses.

Only the United States and Switzerland and a few other countries remain as islands of capitalism in an increasingly collectivised world. And even here, the scene is drastically changed: ours is a mixed system of private and public initiative and control; and in these disturbed days, a mixed system of a peace and a war economy.

Every new dispatch reminds us that the capitalistic way of life is on trial. Not only must it perform adequately--more than that, it is required to perform superlatively. Mass unemployment here at home would have disastrous repercussions upon our prestige abroad, to say nothing of internal political unrest that slump would involve.

. . . It is clear . . . that we do not have to master all of the thousand and one "isms" in order to understand the

²⁷⁶ Augustine Cournot, p.

world today. It is enough to understand something of (1) relative laissez-faire or private enterprise, (2) socialism, (3) communism, and (4) fascism.²⁷⁷

At the time when American economists were adopting Wicksell's new principle, the leading textbook in the field painted a particular world view for the student: one in which communism was seemingly triumphant as a homogenous and inexorably growing bloc, with most of NATO portrayed as "socialist", bracketed along with communism as part of the collectivised world, with even America having 'only' a mixed system, and one under the political necessities to wage cold war and avoid mass unemployment. Poor capitalism--under political necessity to live up to the full employment so cynically assumed by economic pure theory! Of course the times were disturbed, but to those who looked at the world with laissez-faire tinted glasses, one can see in retrospect the appeal of technical Wicksellianism.

Aside from its logical form, the General Impossibility Theorem is a hybrid composed of three very different elements: the Doctrine of the Concurrent Majority, now transformed by Knut Wicksell into the Pareto principle applied to voting decisions; the atomistic, anti-institutional biases of formal neo-classical economics; and something called the voter's paradox (of which more below). We will argue that putting these traditions together does not end up in logically

²⁷⁷ Paul Samuelson, Economics, 1951, second edition, McGraw-Hill, p. 727.

coherence.

But again, this is only the larger historical and ideological backdrop. Again, as we have seen, the technical response of American neoclassical economics to the Great Depression was to ban questions of distribution as unscientific and to go mathematical. There was of course a certain time lag in order to train the new breed of mathematical economists who would carry on and work out the development of the new research paradigm. Of course mainstream economists would be open to technical work which supported laissez-faire and impugned public things, and Wicksell had brilliantly produced something to that end. But the fact is that Wicksell's new principle was not directly adopted. Instead, elements of the new principle were put into technical form and then adopted, with little or no mention of Wicksell--in Arrow's case with no knowledge of the new principle at all.

But even more importantly, the answer is the methodology of economics. In kicking off the ordinalist revolution, John Hicks needed both technical economic understanding--and a reading knowledge of Italian. Pareto wouldn't be translated into English until well after. Similarly, the new principle wouldn't be translated into English until 1955, after it had conquered economics, and even now remains unappreciated in the field, mere prehistory to the scientific work then going on.

Part of the answer as well is that the full doctrine was too impracticable and too openly undemocratic. Wicksell's new

principle initially fell on deaf ears, and Lindahl's attempt to peddle the new principle only caused hackles before becoming sidelined. Instead the new principle would be adopted piecemeal, and in increasingly technical terms. James Buchanan's more open Social Choice Wicksellianism has always been under a cloud than Arrow's 'rigorous' formulation.

Part of our emphasis has been the way economists mix philosophy with methodology, and how methodology has fooled them into adopting a political philosophy of which they have but a limited understanding. We can see what a complicated set of assumptions went into the theorem, assumptions which the mathematical economists who developed it are oblivious: Calhoun's Doctrine (itself the product of complicated philosophical assumptions and historical circumstances), Wicksell's integration of the Doctrine into the marginal utility analysis, Bowen's addition of ordinal utility (and therefore the debates surrounding ordinal utility); the attempt to develop a Social Welfare Function, and the paradox of voting tradition. One can see that developing formal models using assumptions distilled from this theoretical hodgepodge is not very likely to be a very enlightening process without a knowledge of the traditions themselves.

Let us now turn to the major public policy plank of Public choice Theory, the Balanced Budget Amendment.

6. The "Balanced Budget" Amendments: Capitalism,
Fiscal Responsibility, Freedom-and Democracy?

Balanced budget amendments have been kicking around congress for since 1981, and for some time seemed close to passage. With the recent budget close to balance, the issue is now on the back burner, but it may arise again. In the past, the amendment has gotten significant bipartisan support and still remains a staple on the plank of one of the two major political parties. The central but surprisingly undiscussed feature of these amendments has been to require a supermajority in both Houses of Congress to approve passage of unbalanced budgets. Given the history of debates about majority rule within American political philosophy, this attempt to abrogate majority rule through constitutional amendment seems somewhat odd, and raises the question of where Congress got this particular policy recommendation--or did certain congressmen generate the idea of supermajority rules 'unthinkingly'?

According to the explanatory section III ("The Concept of Senate Joint Resolution 58") of the original 1981 Senate Judiciary Committee report on the balanced-budget amendment--from which all the others have derived--the general theory that lay behind the approach originated in a certain school of economics:

Much of the argument in this and other sections has drawn upon Professor [James] Buchanan's work, in conjunction

with Professor Richard Wagner, Democracy in Deficit: The Political Legacy of Lord Keynes (1977).²⁷⁸

Buchanan and Wagner²⁷⁹ (from here on BW) apply public choice theory to the practice of Keynesian macroeconomic policy in a political democracy and conclude that post-war inflation and budget deficits may be traced to the 'irrational' characteristics of majority rule. They propose as a response a balanced-budget amendment to the U.S. Constitution with a five year reduction schedule and a supermajority enforcement mechanism requiring 2/3's (67%) of both houses of congress to approve an unbalanced budget.

Buchanan and Wagner are explicit about the source of their theory about balanced budgets:

In 1896, Knut Wicksell noted that an individual could make an informed, rational assessment of various proposals for public expenditure only if he were confronted with a tax bill at the same time. Moreover, to facilitate such comparison, Wicksell suggested that the total costs of any proposed expenditure program should be apportioned among the various members of the political community. These were among the institutional features that he thought necessary to make reasonably efficient fiscal decisions in a democracy. Effective democratic government requires institutional arrangements that force citizens to take account of the costs of government as well as the benefits, and to do so simultaneously. The Wicksellian emphasis was on making political decisions

²⁷⁸ "Balanced Budget--Tax Limitation Constitutional Amendment, Report of the Committee On the Judiciary, United States Senate, on S.J. Res. 58, with Additional And Dissenting Views". (U.S. Senate, 97th Congress, 1st Session, Vol. 13401, Report No. 193, July 10 [legislative day, July 8] 1981; U.S. Government Printing Office, Washington: 1981), pp. 8-10.

²⁷⁹ James Buchanan and Richard Wagner, Democracy in Deficit: The Political Legacy of Lord Keynes 1977 Academic Press.

more efficient, on ensuring that costs be properly weighed against benefits. A norm of balancing the fiscal decision or choice process, if not a formal balancing of the budget, emerges directly from the Wicksellian analysis.²⁸⁰

Having cited BW's Democracy in Deficit as the main theoretical underpinning for the amendment, the 1981 Senate Judiciary report goes on to say:

In summary, the purpose of Senate Joint Resolution 58 is to eliminate the serious bias in behalf of spending that exists within the political process that allows members to avoid having to vote for higher taxes in order to pay for higher spending and to establish a more genuinely neutral environment within which the budget competition occurs. The proposed amendment does not define what constitutes or what does not constitute a responsible budget, but only defines the institutional framework within which such budgets can be put together. Rather than Federal Government spending increasing inexorably, whatever the desires of the citizenry, the amendment would ensure that such spending is set at levels more reflective of their genuine desires.²⁸¹

We have to be clear about what is at stake in this argument. Buchanan and Wagner present Wicksellian analysis as necessary to informed, rational, and efficient decision-making on fiscal policy by the institutions of a democratic government. They and the Senate Judiciary Committee of 1981 rest their case not on standard fiscal considerations, but on the economic analysis of voting rules. The Senate report

²⁸⁰ Democracy in Deficit, p. 11.

²⁸¹ "Balanced Budget--Tax Limitation Constitutional Amendment, Report of the Committee On the Judiciary, United States Senate, on S.J. Res. 58, with Additional And Dissenting Views". (U.S. Senate, 97th Congress, 1st Session, Vol. 13401, Report No. 193, July 10 [legislative day, July 8] 1981; U.S. Government Printing Office, Washington: 1981), pp. 8-10.

pointedly disavows saying anything about what constitutes a responsible budget, only that it seeks to alter the institutional arrangement in which budget decisions occur so that the genuine desire of the people will be served. This claim reduces of course to the assertion that majority rule (the apparent will of the people) violates the genuine will of the people--i.e., minority veto.

We are of course here less interested in the politics of the amendment than with its theory, and the portents for democracy. Essentially BW put a twist on Wicksellian theory by claiming that Keynesianism destroyed the taboo against running budget deficits, which had constrained the irrationality of majority rule by forcing it to pay its bills. The larger claim, then, is that the practice of Keynesian economics in a democracy will lead to unacceptably high inflation levels and budget deficits because Keynes did not understand what economists now "know" about democratic decision rules.

Again, Buchanan and Wagner largely disavow having anything to say about Keynesian policies per se, but are concerned with the institutional consequences of giving the discretionary power of deficit spending to majoritarian institutions. But since majority rule is so much the focus of power, or at least of change in modern democracies, challenging it implies an expansive challenge to the basis of modern democratic politics. To see this, let us cite BW's actual proposal:

To achieve an orderly transition to full implementation, annual budget deficits shall be reduced

by not less than 20 percent per year in each of five years subsequent to the adoption of the amendment. Departure from this 20-percent rule for annual adjustment downward in the size of the deficit shall be treated in the same manner as departure from budget balance upon full implementation.

Provisions of this amendment may be waived only in times of national emergency, as declared by two-thirds of both houses of Congress, and approved by the president. Declarations of national emergency shall expire automatically after one year.²⁸²

If majority rule (or the principle of 50% + 1) becomes a qualified, super-, or concurrent majority, the size of the minority required to veto legislation becomes important. The most popular proposals in the U.S. Senate to amend the Constitution contain a 3/5's (60%) in both houses rather than the 2/3's (or 67%) threshold Buchanan would have. These varying proposals differ in their effect on majority rule and fiscal policy. In 1992, the Bush Administration tried to get an even more restrictive amendment moving, one that would require supermajorities to increase spending at all, whether the budget was in balance or not. The rule is even more rigorous than a simple 2/3's rule since it's requirements are put upon Madisonian institutions--2/3's in each house, presidential approval, and yearly declarations of national emergency--just to exercise Keynesian fiscal stimuli. It should be emphasized that the 60% margin generally required in current balanced-budget amendments is a margin on top of a system of separation of powers. One way to overcome such fragmentation is through party, but in a two-party system

²⁸² Buchanan and Wagner, op sit, p. 180.

where both parties compete for the middle, such an amendment would give each party a veto on overall budgetary policy whenever events push the budget out of balance. This would effectively deprive majorities of control of fiscal policy over the economy, national defense, and the social safety net. , forcing Keynesian fiscal policy to depend on bipartisan support, i.e. in an atmosphere which values nominal budget balance over balancing the macro performance of the economy. Minority veto on deficit spending does not seem as stringent as minority veto on spending or increases in spending, but in a modern economy the exercise of fiscal policy is one of government's greatest responsibilities.

Fiscal Policy

BW say their amendment says nothing about Keynesian economic theory per se, but this claim is belied by their requirement that the deficit be reduced by 20% per year unless the president and supermajorities in both houses declare a national emergency. Government doesn't merely act and initiate. Much of the time it reacts, and it reacts to fluctuations in markets. Should a major down-turn occur, more people become eligible for public relief, which not only gives direct help to those in need, but fuels consumer spending and confidence. The cost of these built-in stabilizers (such as unemployment insurance, food stamps, AFDC, tax progressivity,

etc.) will vary depending on what the economy does. Should a massive downturn occur, government deficits will rise. Under a balanced-budget amendment, this will necessitate raising taxes and/or cutting expenditures in a recession, putting more pressure on the governing majority, and allow more leeway to irresponsible minorities that can wash their hands of making hard politically costly decisions. Whenever automatic stabilizers kick in response to an economic downturn (if there would be any economic stabilizers under such a regime), congress must cut back spending in other areas or raise taxes--not because Keynesian economics is wrong about the aggregate management of the economy, the authors say, but because majority rule is so irrational that the loss of Keynesian policy would be well worth the price. Within economics there is a good deal of disagreement on the question of Keynesian budget deficits, but to so effectively restrict government from using fiscal stimulus is well outside the pale of economic consensus.²⁸³ What is really involved here is the Wicksellian attack on the principle of a mixed economy run on the principle of majority rule.

In a way, Buchanan and Wagner and their supporters are probably naive about Admittedly, since these supermajority

²⁸³ See for example, Robert J. Barro "Comment From An Unreconstructed Ricardian", Journal of Monetary Economics 4 (1978), pp. 569-581: "It is apparent that B & W (pp.27-28) do not think much of the macroeconomic literature". (p. 579). See also James Tobin, "Comment From An Academic Scribbler" in *ibid*, pp. 617-625.

provisions do not actually abrogate majority control of legislative floor rules, they may be more a recipe for encouraging hypocrisy and deception on the part of public officials than an actual restriction on majority rule, but the desire to limit, harm, or embarrass majority control of the public purse is clearly part of the philosophical agenda.

Such supermajority proposals are of course nothing new for Professor Buchanan, who was arguing in 1954 that

. . . the negative result of Arrow's analysis as applied to voting represent established and desirable features of the decision-making process embodied in constitutional democracy. From this it follows that if the conditions required by Arrow were satisfied, certain modifications in the underlying institutional structure would become imperative.²⁸⁴

If there should exist policy areas in which specific majorities possess identical orderings of social alternatives, it would become necessary to impose additional restraints upon the exercise of majority decision.²⁸⁵

In a very real sense collective choice cannot be considered as being reached by voting until relatively unanimous agreement is reached.²⁸⁶

The traditional American rule on taxation and voting, of course, has centered on the question of representation-- participation in elections decided by majority rule. In American history and political thought the unanimity principle has been considered 'sound' only by a disreputable, if important and (apparently) quite persistent minority.

²⁸⁴ James Buchanan, "Social Choice, Democracy and Free Markets", American Economic Review XLI (1954), p.114.

²⁸⁵ Ibid, p.120.

²⁸⁶ Ibid, p.121.

Defense

Restricting government with unanimity rules is at least as dubious on grounds of national defense. The balanced-budget amendments in Congress have taken recognition of this problem, but still require declaring states of national emergency. Should the Reagan Administration (whatever one thinks of its policies) have been forced to declare a state of national emergency and get a two-thirds majority in order to outspend the then-Soviets? Taking national defense spending out of the hands of the president and congressional majorities would perhaps be closer to the hearts of some of those on the left. For Wicksell of course the difficulty presented no problem at all, since he proposed to deal with the Russian threat of that day by having Sweden unilaterally disarm and join Russia's (then Tsarist) empire--Sweden getting protection and Russia instruction by example in the ways of democracy, a novel solution to world peace! Wicksell was of course a true liberal on both military and economic policy (a Taft Republican perhaps?). Calhoun was willing to count on America's isolation and pointed to Poland as an example of how long a system of unanimous voting rules could last before being completely dismembered by its neighbors.

Responsibilities of the Modern State

The growth of financial debt instruments is one of the pillars of the modern national state. Do we wish to so tie the hands of government against Keynesian stimulus and national defense? The bulk of Keynesian economists rejected the BBA out of hand, but a number of prominent economist didn't, such as soon to be chairman of the Federal Reserve board Alan Greenspan, who testifying in favor of the Amendment before congress. What is important here however is not Chairman Greenspan's support of a failed constitutional amendment, but the teachings of economic science--what do technically trained economists in important positions of power see when they see the regular operations of democracy? Current policy in the developed nations is to give central bank chairmen a good deal of discretion, but what might be the effect on the exercise of monetary policy (even if only a residual effect) if they also believe what Chairman Greenspan states here, that popularly elected legislative bodies are not competent to run fiscal policy because voting has been proven by mathematical economic analysis to be "irrational"? Or if they go even further and agree with Buchanan and Wagner that the deficiencies of democratic voting must inevitably cause irrationally growing big government, inflation, and deficits--might not some be tempted to use the powers of the central bank to dampen growth more than what might otherwise be economically called for.

Combined with central bank policies to combat inflation by targeting wages war on wage inflation

Part of the economic literature focuses on the so-called political business cycle, that without an independent central bank, elected officials will conduct economic policy according to election cycles. There is some basis for this, though the record in American politics shows no such consistent pattern, but the predominance of Walrasian/Wicksellian economics raises the question of whether contemporary economists can be trusted to conduct economic policy without ideological bias.

Again, here we are less concerned with the actual teachings of technical economics than with the outcome of those teachings. example here is Milton Friedman who began to support constitutional changes to limit majority rule in 1986, when the failure of the Reagan Administration to abolish big government convinced him that Buchanan was right and that the irrationality of voting necessitated an especially strong supermajority balanced budget amendment. Friedman of course has long agreed with economic orthodoxy's view of voting. NOTE--NYC Conference Friedman might have done better to paid heed to the advice of Von Hayek, who knew Eric Lindahl at LSE in the 20's and 30's, and pointedly warned conservatives that they must ultimate stand by majority rule.²⁸⁷

Still, Friedman's most prominent book, Capitalism and

²⁸⁷ Hayek,

Freedom, shows how a believer in laissez-faire can move towards Wicksellianism much as we have seen in earlier economists. Friedman begins of course with his famous attack on President John F. Kennedy's call "Ask not what your country can do for you, but what you can do for your country". Friedman finds such a beneath the of a free man individualism. As is well known, the gist of Friedman's policy is to scale government back to nineteenth century levels and re-institute laissez-faire, getting rid of the following depressingly long list: all price supports for farmers, all tariffs and quotas, rent control in the cities, the minimum wage, maximum legal interest rates, Federal regulation of transportation and banks, Social Security, public licensing of professions from doctors and lawyers on down, public housing, federal help for mortgages, national parks, the post office, public toll roads, the progressive income tax, government funded higher education, and abolishing government programs instituted since then: medicaid, environmental protection, Headstart, the National endowment of the Arts, National Endowment for the Humanities, etc., etc. Most of the public would vote down such a laissez-fairist program out of hand, but Friedman's book is also a bell weather of the type of belief that contemporary economic training encourages--what then is Friedman's view of democracy?

For our purposes, however, what is important is how Capitalism and Freedom sees the relation between political and

economic freedom. Friedman actually begins early on with praise for extending the suffrage and majority rule:

In the early nineteenth century Bentham and the Philosophical Radicals were inclined to regard political freedom as a means to economic freedom. They believed that the masses were being hampered by the restrictions that were being imposed upon them, and that if political reform gave the bulk of the people the vote, they would do what was good for them, which was to vote for laissez faire.²⁸⁸

Friedman then asserts that laissez faire improved the condition of the masses in the early nineteenth century (!), and rues the move away from laissez faire ever since.

This raises the question of course, what happens if the people don't do what Friedman says "what is good for them", and vote against laissez faire? For the rest of Capitalism and Freedom, perhaps not so surprisingly, almost every mention of elections pours cold water and warnings about majority rule.

On page 3, is typical: "Columbus did not set out to seek a new route to China in response to a majority directive of parliament, though he was partly financed by an absolute monarch". Such passages illustrate the remarkable way in which Friedman's economic analysis dovetails with his basic philosophy.

Most of the people Friedman lists as great artists and scientists of the past long preceded the economic liberalism of the 19th century and were happy to have government jobs or to receive government patronage; and anybody familiar with the

²⁸⁸ Milton Friedman, Capitalism and Freedom, p. 10.

history of art and architecture knows that a very good deal of it was paid for under the auspices of the state or the state religion. More germane perhaps to contemporary economics is the fact that most technological innovations have been pioneered by government. Most of modern technological innovation was borne of a combination of government funded research, along with the large corporate sector of monopoly and oligopoly that contemporary economists such as Friedman like to play down. Why majorities come in for criticism here while monarchy gets praised here is not entirely clear--perhaps Friedman is confused; but there is more in Capitalism and Freedom.

If one scans Capitalism and Freedom for its view of democracy, a certain pattern emerges. Friedman associates majorities and minorities with coercion, and majorities and minorities with racial and ethnic intolerance. Further, majorities have no moral authority, merely counting noses. In Friedman's treatment, markets appear as some kind of proportional representation that fulfill the ideal of unanimity without conformity. Style, keeping up with the Jones's, style, corporate conformity, are all foreign to Friedman's closed system, as are obvious economic groups, i.e., certain ethnic white males versus others, for example. Perhaps this is to be expected in a book by a conservative in 1962, but Friedman left the omissions unrevised, and the same criticism may be made of most of economic pure theory.

Individualism is here used to deny inequality.

The policies which Friedman most especially couples with majority rule, however, are progressive taxation and social security. According to Friedman "the layman is often incompetent to judge" the complex issues surrounding social security (p.186), and those who support it "believes in dictatorship, benevolent and maybe majoritarian, but dictatorship nonetheless", and paternalism.²⁸⁹

. . . "we" know better than "they" that it is in their own good to provide for their old age to a greater extent than they would voluntarily; we cannot persuade 51 percent or more to compel all to do what is in their own good. This paternalism is for responsible people, hence does not even have the excuse of concern for children or madmen.²⁹⁰

Friedman is of course well aware that 51 per cent is not even at issue here, and that the programs he criticizes are supported by overwhelming majorities. Friedman's 51% percent here is purely a hostile hypothetical, empirically false, and typical also of rational choice models which harp on the possibility of close elections (any voting threshold of course can result in both wide and close margins of victory; public choice economists like to harp on the close ones). In practice electoral margins in a healthy democratic system are often quite comfortable. And especially so when it comes to social security, which is, as Friedman is very well aware, the most wildly popular government program in American politics ever

²⁸⁹ Ibid, p. 187

²⁹⁰ Ibid., p. 187.

since its first inception in 1936. At the time when Friedman wrote these words in 1963 the numbers in support of social security in were more like 80-90 percent--Friedman's postulated 51% is empirically false, and he ends up with an argument accusing 90 percent of the electorate as 'paternalistic'. The 10 percent who are opposed to Social Security are largely the rich, so the rich are in favor of freedom, while everybody else is a "paternalist". "The believer in freedom", Friedman sniffs about the overwhelming support for Social Security, "has never counted noses".²⁹¹

So how then does Friedman suggest that we prevent the electorate from doing things that are not "good for them"? By such devices as a flat tax, which "would avoid a situation where any large numbers could vote to impose on others taxes that did not affect their own tax burden."²⁹²

Friedman is more up front about his disagreement with the overwhelming majority of American voters and the numbers involved when it comes to progressive taxation, and his complaint about majority rule:

It is very different for 90 percent of the population to vote taxes on themselves and exemption for 10 percent than for 90 per cent to vote punitive taxes on the other 10 per cent--which is in effect what has been done in the United States.²⁹³

We should note, however, one last note of Friedman's problem

²⁹¹ Ibid, p. 9.

²⁹² Ibid., p. 175

²⁹³ Ibid., p. 174-5

with majority rule control over the purse:

. . . taxes are imposed after [ital] it is already largely known who have drawn the prizes and who the blanks in the lottery of life and the taxes are voted mostly by those who think they have drawn the blanks.²⁹⁴

--in other words, the ninety percent. Friedman makes this statement of course after a whole book strenuously arguing that individuals and only individuals can know their interest, but here all of a sudden, they don't. Under majority rule the taxes are voted by those who only "think" they have drawn the blanks--again, the all-knowing consumer no longer really knows once he becomes a voter. In the end, Friedman's individualism is one in which the strong, or the rich, predominate--their rule deserve rule believes in but private property, markets, and class--the success and rule of the rich. Friedman does believe that markets are a system of power, that he knows far better what is good for the public than they do themselves. Friedman's fear of the political leads him to an ethical relativism about markets, but he is here usually open in his class bias.

Still, while Friedman joined the rest of economic orthodoxy in pointing proudly to the discoveries of rational choice about democracy, he still resisted proposals to actually enact restrictions on majority rule. With the failure of the Reagan Administration to abolish big government, however, Friedman turned to supporting the Balanced Budget Amendments. In the

²⁹⁴ Ibid., p. 163

context of Capitalism and Freedom, then, Friedman's 1986 support for restricting majority control of the purse is only one more step.

There is another element though in this that might be noticed. One of the great linchpins of classical economic liberalism was the gold standard, which usually resulted (major new discoveries of gold aside) in a tight money policy favoring creditors, but which also took the power of judgement of economic things out of the political realm. The inability of the gold standard to deliver stable economic stability has been obvious since Keynes, but Friedman's monetarism--that the Federal Reserve Board should be abolished and replaced by an automatic (discredited now as economists have finally come to realize that markets are unstable)--serves the same role as the Gold Standard did, taking judgement out of the hands of public officials. Economists have finally recognized that the money supply is so unstable that monetary authorities must have the discretion to react.

Conclusion: Calhounism and democracy.

Returning to the more academic considerations, and to the intellectual seedbed of public choice theory, it seems remarkable that whole academic departments could discuss social choice and the unanimity criterion in earnest for some 40 or 50 years with hardly a passing reference to Calhoun. The resemblances between Calhoun and Public Choice seem obvious once pointed out, and the tradition sat waiting. This suggests some points about social and economic theorizing that this paper has been implying all along. This history strikingly bears out Keynes' warning about the danger of neglecting the study of traditional economic and political philosophy, study which now occupies the lowest rung of study within economics. Further, the use of formal economic analysis to join two such very different traditions of thought, of neoclassical economics with Calhounism, suggests that the critics were right when they argued that neoclassical economic theorizing is arbitrary and contrived towards preconceived ideological ends. The widespread belief in Wicksellian claims about the arbitrary outcomes of voting is held in the face of overwhelming empirical evidence to the contrary, which suggests that economic 'positive' theory is also far too insulated from the study of actual social phenomena, especially institutions.

Interestingly enough, the few published mentions of Calhoun in association with the Public Choice literature have been

made by American political scientists, who might be expected to know something at least about American political philosophy--though even then those who raised the resemblance are few, and they took the investigation no further.²⁹⁵ Again, the hostility or at least denseness of the social sciences against larger theoretical questions must be partly to blame. But as just strikingly, Calhoun's influence has also been missed by the many academic philosophers who have studied public choice theory, as well as the considerable number of public choice theorists with philosophical training. Why?

These academic philosophers have largely been trained in Cambridge-style analytical philosophy, an insular world view preoccupied with the analysis of primitive word concepts or, more lately, with speculation about cognitive mind-states, and only passing strange with traditional American political philosophy, let alone political history.²⁹⁶ It is interesting in this regard that when analytical philosophy does feel that it is necessary to do political philosophy, it has relied so much on technical economic liberalism. The dominant work of contemporary analytical political philosophy and probably the most important work of liberal political philosophy at the end

²⁹⁵ See Dahl 1957, Downs 1957, Rae 1975, op sit.

²⁹⁶ Compare the ahistorical and apolitical cast of most analytical political philosophy, with, for example, Carey Wilson McWilliams' great survey of American political thought, The Idea of Fraternity in America. Compare also the mix of theory and practice in the first great western philosophical treatise on politics, Aristotle's Politics.

of the twentieth century, John Rawls' A Theory of Justice, turns on the 'difference principle', taking from economics what economists call weak Pareto. The dependence of Rawls on neoclassical theory is one of the least widely understood aspects of his theory. In Rawls' A Theory of Justice, widely considered to be a work of the left, we are told that once distribution is taken care of, neoclassical theory is sound. Accordingly it should perhaps not seem so surprising that Rawls could write the following:

. . . as Wicksell emphasized, the unanimity criterion assumes the justice of the existing distribution of income and wealth, and of the current definition of the rights of property. Without this important proviso, it would have all the faults of the efficiency principle, since it simply expresses this principle for the case of public expenditures. *But when this condition is satisfied, then the unanimity principle is sound. There is no more justification for using the state apparatus to compel some citizens to pay for unwanted benefits that others desire than there is to force them to reimburse others for their private expenses.*²⁹⁷

Rawls is recounting economic science when he says that the Wicksellian unanimity criterion only expresses the efficiency principle of laissez-faire (i.e. Pareto) to public expenditures. While Rawls claims that the unanimity principle is sound on the basis of the benefit principle and consent theory, he modifies this sweeping claim, invoking Robert Dahl. Still, we also read "Essentially the fault lies in the fact that the democratic political process is at best regulated rivalry; it does not even in theory have the desirable

²⁹⁷ Rawls, op cit, p. 283. [My emphasis].

properties that price theory ascribes to competitive markets."²⁹⁸

Rawls appears to modify this claim elsewhere, he here demonstrates both his larger dependence on the neoclassicals and something of a knee-jerk fear of the political in favor of the private (one wonders how one with such a psychology could consistently justify any public action at all, including questions of distribution). But the problem of Wicksellianism cannot be reduced merely to distribution, just as the problem of Calhounism cannot be reduced merely to slavery: the question is rather the legitimacy of voting and deliberation about justice in a democracy.

The pervasiveness of Calhoun's present influence among intellectual and political elites also raises again the question of the relation of Calhounism to the larger liberal tradition in America. Amartya K. Sen argues that applying ordinality and Pareto efficiency to voting (i.e. the technical expression of the Wicksellian tradition) is incompatible with rights, and therefore with liberalism. Sen titled his article "The Impossibility of a Paretian Liberal", but some of the literature also calls this approach the liberal paradox, which captures the essence of this debate better. Strictly speaking, Sen's claim about the 'impossibility' of a Paretian liberal is simply wrong: Wicksell was actually a prominent popularizer of rights and liberal measures. He proposed the unanimity

²⁹⁸ Ibid., p 226.

criterion for fiscal policy only, and pointedly excluded minority veto over rights. Sen's reading however strikingly mirrors Louis Hartz's authoritative claim that Calhounism has no place within the American liberal consensus. Similarly, while Richard Hofstadter conceded that Calhounism is a peculiarly American phenomenon, he argued that it is only of historical interest, stating that 'the concurrent voice holds no attractions for the twentieth century mind'. One is tempted by Hofstadter's statement to ask if the neoclassical mind is a twentieth century mind--it has yet to reconcile itself not only to the rise of the modern corporation and Keynesian macroeconomic management, but also, apparently, to modern democracy--but the present widespread power of public choice among elites suggests that it really makes no sense to characterize neoclassical economics as not also of the twentieth century--and, by all present indications, of the twenty-first as well.

Yet this transformation was delayed. In the early years of the twentieth century, the marginalist movement halted under the impact of critics in history, sociology, and economics--even Marshall expressed the view that mathematicization of tautological claims was a dead end.²⁹⁹ The Great Depression scared the neoclassicals into adopting an increasingly rarified mathematical Walrasian-Paretian garb--but along with

²⁹⁹ A view expressed interestingly enough by Wicksell himself: "

the further formalization of neoclassical assumptions came the formalization of Wicksellian public finance. Hence the rise and 'discoveries' of formal public choice in the 1930's, 40's and 50's. The resistance in economics to these developments was actually quite strong (as may be seen in the fierce debates about interpersonal comparisons of utility in the 30's and, all over again, in the 50's). Arrow's Theorem however was rooted in ordinalism and the Pareto principle--now central to the marginalist project--and swept all before it. The price of 'saving' majority rule and rational public judgement could only be had by undercutting ordinality and the Pareto principle, which was unacceptable because everything had been predicated on Pareto efficiency.

Again, Rational Choice is widely held to be the cutting edge of science in most academic departments of Economics and Political Science--and especially so in the prestigious institutes of technology, which are especially devoted to scientific endeavor. It gets published regularly in major academic journals and publishing houses and its critique of democracy is taken with the utmost seriousness. Often presented in the form of formal logic and held to be a model of scientific precision and rigour, public choice is funded by the National Science Foundation and has repeatedly received the imprimatur of the Nobel Prize in Economic Science. The political theory which many historians have portrayed as a curiosity piece of the Jacksonian period is actually having

considerable impact on the political thought of the technocracy at the end of the twentieth century.

Further, for a philosophy which Hartz argued has nothing to do with American liberalism, the specifically American and liberal intellectual history of contemporary economic Calhounism is striking. Wicksell apparently learned of Calhoun through John Stuart Mill and Thomas Hare.³⁰⁰ Though in his day Wicksell was recognized as one of the leading economists in the world, his new principle sparked little interest in Europe and for the most part remained confined to a few followers in Scandinavia. In the 20's and 30's, Wicksell and Lindahl's influence on the London School of Economics helped to spark interest in Wicksell in America. The theory, then, left America and to a certain extent returned by way of British liberals, who found it intriguing, but rejected it in the end.³⁰¹ Only in America did Wicksell's new principle take

³⁰⁰ This can be inferred not only from Wicksell's citation of Mill and Hare, but from the circulation records of Uppsala University Library, which show that Wicksell had taken out Mill, Hare, and Calhoun, in that order [nice if you could document it archivally, as well as textually].

³⁰¹ Of the general atmosphere at LSE in the late 20's and early 30's, and the laissez-fairist economics advocated there, Hicks relates the following: "It was surprising, to outside observers, that these very Right-ish doctrines could have had such a vogue at the London School, which was popularly considered to be a hotbed of socialists. We did indeed have our eminent socialists, such as Laski and Tawney (Dalton, by now, had gone off into politics); but it is significant of the tolerant atmosphere of the School that personal relations with them were friendly. There was indeed a substratum of 'liberal' political principles which our socialists and our free market men had in common." (pp. 283-4).

root as a major school of thought, though American economists are now busy re-exporting it back to Britain, as well as around the rest of the globe. Mill's wish that Calhoun's Doctrine would provide instruction to the world in the science of politics has come to pass.

A common theme in the Calhoun literature is that Calhounism is something to which Americans in particular are prone. Calhounism typically presents itself in Madisonian garb, and Madison himself clearly, if uncomfortably, saw it as a related theory, characterizing it as a 'heresy'--a heresy is of course part and parcel of the tradition from which it sprang, and the special threat of a heresy is that might become the new orthodoxy. Wicksellianism has been the theoretical orthodoxy in American economics since the early 1950's, and since 1981 Wicksellian Constitutional Choice has had striking political success both nationally and in the states with the Balanced Budget and Tax Limitation Amendments' supermajority restrictions on majority rule.

Again, Wicksellian-'Paretian' ordinalism is the dominant technical form of economic liberalism. It is cast, in all candor, in the name of 'reasonable-looking' assumptions about freedom of choice, individual values, rationality, efficiency, scientific rigor, and of opposition to political arbitrariness, imposition, corruption, and dictatorship. It is understood as the very essence of liberalism by its

adherents.³⁰²

All this suggests that Calhounism is clearly a strain of classical liberalism, though it is hardly--despite the claims of Wicksellian-'Paretian' neoclassicals and other Calhounians--liberalism's 'essense' or necessary final stage. If we take the Liberal Tradition broadly to be a continuing conversation about or preoccupation with the nature of liberty, equality, and occasionally fraternity, a conversation whose origins are identified at the highest manifestations of thought with such thinkers as Hobbes, the Levellers, and Locke, then that tradition is clearly far more diverse than simple Calhounism or its later hybrid with neoclassical economics. Many versions of the Liberal Tradition--especially before the rise of universal suffrage, not surprisingly--can be repugnant to modern sensibilities. The current influence of Public Economics in politics as well as among elites is one sign at least of the uneasy tension between classical liberalism and modern democracy.

³⁰² This is captured in the title of one of William Riker's books, Liberalism Against Populism, but see also Kenneth Arrow, Social Choice and Individual Values, op sit, pp. 8 n.23, 64-65; and John Rawls, A Theory of Justice (Harvard, 1971), pp. 282-4.

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An exhaustive (and to the Calhoun scholar essential) bibliography on Calhoun and Calhoun scholarship has recently been published by Wilson 1990. Of the several one volume biographies of Calhoun's life, any will do; Coit (1950, 1991) is the standard, though Wiltse's (1952) three volume biography remains definitive. Biographers of course are often unusually 'understanding' or sympathetic to their protagonists (current journalistic ventures aside), and those of Calhoun are no exception. The best short essays on Calhoun's political philosophy are the now classic pieces by Richard Hofstadter (1948) and Louis Hartz (1955), to which I would add Lerner (1963) and Baskin (1969). On Calhoun and American interest group pluralism see the classic Drucker (1948) and more recently, Longman (1983). In Political Theory of course there is no substitute for reading the original text; Calhoun 1992 (one of many classics reprinted for us by the Liberty Press) is the only reasonably complete selection of Calhoun's writings and speeches to be published in this century.

A bibliographic note on Public Choice may be found at the end of the next paper.

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