

Anthony Comegna ([00:20](#)):

During the long, gradual fall of the Western Roman empire, a quiet revolution changed Europe and the rest of the world in ways which did not come to fruition until ... well, perhaps the revolution continues even today, still in the course of fulfillment. As imperial power over the frontiers waned, the great Latin landholders fled their country estates and abandoned their land and slaves to the invading Germanic warlords. The warlords essentially purchased public trust by not re-establishing slavery. Thus, slavery disappeared from European law and society, and abolition was born into the world.

Anthony Comegna ([01:01](#)):

From its quiet origins in this ancient emancipation event, liberalism has always been an emancipatory movement, but can we really have emancipation without full-on abolition? This week, Professor Pete Boettke joins us to answer this and more on the problem of public governance.

Anthony Comegna ([01:24](#)):

Professor Boettke, you began your talk today with a sort of, let's say, a long history of the classical liberal quest for a strong, minimal state. I wonder if you could start here by telling us a little bit about that.

Peter Boettke ([01:39](#)):

Well, I mean, it's ... First of all, thanks for having me on the show and the talk, I greatly appreciate that opportunity for [inaudible 00:01:49] to talk to him about our book. What I'm doing in that, and Paul and I and Vlad are doing in there is we're beginning with the idea of a nightwatchman state from Adam Smith or the constitutional order of the American republic in which you're trying to form a structure of government which both empowers the government to be able to do what it needs to do and constrain it from overstepping those bounds. Then the discourse that has been around in the public space about that particular project and that's what we're jumping into using the tools of modern economics and political economy to help adjudicate those debates.

Anthony Comegna ([02:35](#)):

Now, why not just sort of go all in on sort of radical classical liberalism and just say, you know what, do away with this whole thing in the first place. The real problem with public governance is that we just shouldn't have it. We shouldn't try to do that.

Peter Boettke ([02:52](#)):

My former student and now close colleague, Ed Stringham, when he found out I was writing book on public governance in the classical liberal tradition, he sent me an email and it said, "Oh, I know your book. There is none." Exactly what you're saying.

Peter Boettke ([03:09](#)):

Look, I think that we are asking a social scientific question or even sort of slightly different than that because ... so it's a combination of empirical and analytical question of whether or not you can build a set of institutions that can control the state. If you find out that that answer is frustrated continually, then maybe what that would do is create space for a examination of more radical alternatives. But I think in order to do that, you have to first work through the logic of whether or not you could get an institution of public governance and whether or not you could get that public governance institution to

not only be instituted but sustained, rather than break down over time. That's what we're exploring in here.

Anthony Comegna ([04:09](#)):

But then I can still hear the anarchists in the audience piping up and I'm sure it'll be myself when I listen back to this in a few months here or weeks or whenever it is, but yeah, all the evidence is the thousands of years of history that we have, that the state is terrible and that even if you get a good one in place for a little bit, there is almost inevitably this long, slow, sometimes even sharp and horrible slide back into some sort of tyrannical situation.

Peter Boettke ([04:42](#)):

Situation, yeah. It's a great question. I myself have a series of papers in which I develop a perspective which called the analytic anarchism. So it's not normative anarchism first principle, kind of anarchism non-aggression axiom deduced from there, but it's more about how do rules emerge without any central command of governance. How does governance emerge without central command? That was motivated a lot by work that I did in a post communist period as well as in development economics.

Peter Boettke ([05:20](#)):

But in one of my essays, I wrote an essay about James Scott's book, *The Art Of Not Being Governed*, which I think, again, is a fantastic book, but I think all the examples that drive from Scott and other kind of works is that you have to separate distinction between origin stories and development stories. The kind of private governance institutions, not in particular markets but across all markets, we have not seen in an advanced industrial economy or the benefits of modernity. So if the consequences of not having the state are that we can experience modernity, then that should raise questions for us. I personally don't think that that's necessarily true. Okay? But the state of the art in our scientific disciplines, in political science and economics and development studies is that, and so we're trying to jump into that debate and then discuss that debate from the point of view of explicit classical liberals.

Peter Boettke ([06:28](#)):

But if at the end of the day, we are unable to actually identify the institutions that will both empower the protective state and the productive state but constrain the predatory state, well then that would force us to then think about more radical alternatives of how we can push farther. I think we have some very strong reasons, as you pointed out, besides history, but analytical reasons. So as I said in my talk, one of our core claims is that the realm of public administration begins where the realm of economic calculation cease. It's a simple one. You can't have profit and loss calculations in the governmental services because you don't have private property, you don't have appropriate prices or whatever. So can we find mechanisms that serve the same functional significance of property prices and profit loss? If not, then we're dealing with dysfunctions in the way those services are going to be delivered.

Peter Boettke ([07:33](#)):

We want to test that hypothesis and one of the ways that that is tested is by examining the logic of polycentric governance. Because you have the competition between the governance systems, [inaudible 00:07:43] sorting mechanisms to get technical about it. They do the same thing that property prices and profit and loss would do in a market economy, with people voting with their feet and whatnot. We want to examine those kinds of issues in the relationship of that to the scene like a citizen. So this is ... I mean

we're ... Admittedly, we're beginning where a lot of people would like us to be questioning. We're not questioning at the moment, we're just beginning from there and then exploring the logic of that.

Anthony Comegna ([08:15](#)):

Yeah, so now it seems that your argument was essentially that look, the world is horribly flawed, as are all of us. We're going to run into predation both in the public and the private sector. Let's not kid ourselves, it happens all the time, everywhere, basically, in every corner of life and in an awful lot of our experiences. The best thing to do then is to create whatever institutions minimize the damage of predation. This is sort of an old saw in American political thought by now, you divide government and you divide factions and have them compete against each other and check their different motivations and ambitions and all of that.

Anthony Comegna ([09:05](#)):

As you put it, when we dull out the sharp edges that, that we might run into in our institutions, we'll be left, instead of suffering some fatal injury, we'll just have bumps and bruises. But then there seems to be a problem there for me in that. Yeah, but the people who actually suffer those so-called bumps and bruises, it very well might be fatal flaws or fatal injuries. Like literally, police shooting or something like that.

Peter Boettke ([09:36](#)):

Yeah, yeah.

Anthony Comegna ([09:37](#)):

Because the nightwatchman of the nightwatchman state saw you reach for your waistband or something.

Peter Boettke ([09:43](#)):

Right.

Anthony Comegna ([09:44](#)):

Right? So what do we do about that?

Peter Boettke ([09:47](#)):

In separate studies with Jayme Lemke and Liya Palagashvili, I've picked up the Ostrom research program on police services and looked at the issue of community policing and versus sort of more or less militarization of police kind of idea. My colleague, Chris Coyne and his coauthor Abby Hall have a wonderful book on Tyranny Comes Home, which is how the boomerang effect of the militarization abroad ends up by spilling over to militarization domestically. I think we can all agree that this is a major problem in which the predatory state has not been held in check. Right? So what are the ways in which you address that?

Peter Boettke ([10:35](#)):

Well, in our ... so one way to step back, you mentioned the American idea ... I'll come back to policing in one second, but let me just get this on the table, is that Buchanan and Tullock, in *The Calculus Of Consent*, they embraced the Madisonian logic that you were just talking about, about building an

institutional structure. What we're doing in the public governance in the classical liberal tradition is we're embracing the issue of public administration, which is actually a step lower than the structure of government. So given the structure of government, now how do you actually deliver the public services inside of that structure? So we're assuming in many ways the calculus of consent has been solved. Now we're inside of that game and now, what institutions ... so if we envision various levels of institutional embeddedness, so this is nested inside of this is nested inside of this. Then the question of course is one of them is public administration means the delivery of public safety. One of the inputs into public safety is your policing services. How actually are police services going to be instituted in a society? Are they for the citizens or are they for something else?

Peter Boettke ([11:53](#)):

So our criticism of what you just talked about is that that's a consequence not of delivering public safety that satisfies the demands of citizens but delivering police services in a administrative way removed from the citizens themselves. We want to get the delivery of public services back in the hands of the citizenry. That's why switching from seeing like a state to seeing like a citizen. My hand motions are going from top down to bottom up. We want to encourage these bottom up seen like a citizen processes.

Peter Boettke ([12:32](#)):

I don't know if that answers your question and I share with you the tremendous concern for the abuse of power by local police as well as the transformation of local police by federal policies. I think that we need to just have an open discourse in our society about it and the criminal justice system in general and try to work to improve those avenues because right now they are broken.

Anthony Comegna ([13:04](#)):

Well, I mean it just, it sort of makes me think, the issue of like why would the Native American side with the British during the revolution? What, do they want to be governed by the British? No, but they know the Americans are just going to pour over the mountains and slaughter them all and steal their land so better to go with the big government 3,000 miles away that could help you out right here and right now.

Peter Boettke ([13:27](#)):

It's a great line in the movie, *The Patriot*, do you remember that? They're trying to get Mel Gibson to join, Mel Gibson's character to join and he says, "Why would I turn in a tyrant 3,000 miles away for 3,000 tyrants one mile away?"

Anthony Comegna ([13:41](#)):

Yeah, nobody wants their landlord to also be the mayor of the city or chief of police or something.

Peter Boettke ([13:48](#)):

No, no, I understand this. This is part of the issue of how do you discipline the localities. So you know, the Ostroms were involved in this debate, metropolitan reform debate and they were accused of ... they accused the unit gov people of what they call gargantua. Right? Creating these giant behemoth municipalities. The critics responded back and said, "Oh well, you just want lilliputian." You know, like that. Both sides are what needs to be avoided. We don't want gargantuan, we don't want lilliputian, but somehow we want these checks and balances to be worked and we're trying to use competition as a

mechanism to do that. That's what Paul and Vlad and I are trying to explore in here. If we can't find the institutions to do the checking, well then maybe government shouldn't be doing that activity. So you know, remember the line, right? Governments should do those things and only those things that it can do that private citizens can't do for themselves or can't do well for themselves.

Peter Boettke ([14:46](#)):

All right, well that part of that issue is also the second clause. So that's the private issue, but then private public. But then I think we should ask a second question about the public, which is can the public actually do the service well? And if it can't, a government should do those things it can do well and only those things it could do well as well as it should only do those things which private citizens can't do or can't do well. Then all of a sudden we're starting to narrow down the choice set over what governments are given the responsibility to do. We want to keep pushing that line and see where that takes us. That doesn't require us to use first principles.

Peter Boettke ([15:29](#)):

To follow up, I mean, I do think that there are ... I'm sympathetic to Tyler Cowen's argument in *Stubborn Attachments* of what he calls two-thirds of utilitarian, which is that ... the vast majority of the philosophical outlook that I hold is determined by some kind of examination of consequentialist philosophy. However, I do think when people's rights are trampled over, at some point you just say, "Stop. You can't do that. It's a violation of human rights."

Peter Boettke ([15:59](#)):

I do think like in your example of the indigenous people, that was one example. Obviously slavery's another example, and you go on and variety of ones where there are violations of basic human rights, you just say, "Stop," end the story, and you push for that. There is no wiggle room on that.

Peter Boettke ([16:21](#)):

But I think for the vast majority of the cases where we're talking about gradations of policy, we want to keep talking about issues of consequences. If we align this set of institutions, we get those consequences. We do this at institutions, we get that consequence. We're always doing comparative institutions. We're looking at the variation in the outcomes as a function of variation of the institutions. That way, we can play with that.

Peter Boettke ([16:50](#)):

Now, that also is subject to challenge. If you go to a *Federalist No. 1*, Hamilton asked the question, it comes down to this generation to determine whether or not their constitutions are a function of accident and force or reflection and choice. A lot of people who see, you know, [inaudible 00:17:16] see it as accident and force, right? That there's just a long evolutionary process and we want to maximize the random chances here or there. But to Madison or Buchanan or to the Ostroms, the idea was always to rely on the structure of government and then the delineations of government as being a consequence of reflection and choice. So we're more in that tradition in this particular book.

Anthony Comegna ([17:45](#)):

One thing that I really thought was valuable from your talk was the distinction between governing with each other and governing over each other or trying to rule ourselves together and trying to rule over

one another. You also reflected a lot on the importance of democracy. Now again, I kind of bristle at that because to me, democracy has a terrible rap. Just look at the modern period. It's bloody and horrible. You know what, again, minorities would say democratic majorities are pretty godawful, maybe most of the time. But then again, there was no majority voting in the constitutional convention or any of the state ratifying conventions or anything like that. No majority ever put slavery in place, it was a tiny minority aristocracy. You made this claim that I think sets out very well the kind of research agenda I at least would like to see so many of our grad students pursuing right now, which is that liberalism is an emancipatory project. Could you tell us about that idea?

Peter Boettke ([18:56](#)):

Yeah, so let me just clarify on the democracy thing. As I tried to do in the talk, I wanted to find democracy as ways of relating not as one person, one vote, majority rule. I do think that viewing democracy as a voting procedure has all kinds of dysfunctions, number one of which is that we should be passionately concerned about political externalities just as much as we're concerned with market externalities. We need to be worried about political externalities. The problem is in the magic number of three, that two can always line up to make sure that they exploit one for the benefit of the two. As a result, we always have to constrain the rights of the majority by the rights of the minority to minimize the ... and this is a major part of the Calculus Of Consent. We rehearse those arguments in the book and we develop our own twist on them and everything like that.

Peter Boettke ([19:59](#)):

The stuff about liberalism and emancipation, that's more discussed in my Hayek book that came out in 2018, I guess, and *The Reconstruction Of Liberal Project*. My view is that when you read the great liberal thinkers ... and they're all imperfect, they're all products of their time, there's various different difficulties of their language at particular times, including Mill or whatever. But I think if you read, Mill on women, on inequality and on minorities, you'd be struck at how relevant his essays are even to this day. Even given the fact that Mill was also a product of his time and suffered certain biases, and certainly Hume and others.

Peter Boettke ([20:57](#)):

But the general thrust of their argument I think can't be denied. At least that's what I would argue. Right? I don't think just because people are a product of their time, we should ignore what they had to say. I think actually what you need to do is reconstruct what they say for us today, repairing for the problems. I think if you look at the history of liberalism, what it is, is it starts in the religious wars. It's a history of emancipation from the oppression due to the altar. Then what you see is that in the religious wars, you also work tied up to where there was an alliance between the altar and the crown. So part of the development in the new democracy movement or the new constitutional movements is to overcome the oppression of the crown.

Peter Boettke ([21:52](#)):

Then the other argument in the expansion of markets and the movement away from the privileges of the mercantilist class to the opening up of trade and everything like that, is that you're trying to overcome the oppression of extreme poverty, right? Open up and allow everyone to experience the tremendous benefits and material progress. To me, this is actually where the great liberal tradition lies. You see that in its emancipation movement away from slavery, of all the different ethnicities that were held under slavery. You're going to make an argument against the Jews being bound to slavery, as they

were, and against the sort of black American slavery, the abolitionist movement is part of the liberal tradition. Economists like Adam Smith and whatnot were major, and all the way to John Stuart Mill, they were major advocates for abolition of slavery and the the adoption of free labor as opposed to slave labor for a variety of reasons, some of which are very moral reasons, but other ones are just the economics of it.

Peter Boettke ([23:12](#)):

That needs to be understood and worked out. So I think that the arguments for liberalism across the board, consistent, persistent, true liberalism is one that is actually seeking to grant freedom to all rather than restricts freedoms and that we should be embracing that, developing, explaining it. Intellectual historians need to sort of pull out the implications of that, but historians also need to show what that implications are, when those things happen. What are the consequences of freeing up those markets? What are the consequences on the other side of the persistence of the mercantilist class? Look at some of these extreme examples of the rent seeking behavior throughout history. It's not like it disappeared, right? What are the consequences of that?

Anthony Comegna ([24:05](#)):

Yeah, I like to research the sort of holdouts of old world government, the ways in which old world government crept into American institutions and sort of led to a revival of mercantilism.

Peter Boettke ([24:19](#)):

A hundred percent, and I think that it's ... we, people like myself — okay, so I don't want to paint anyone else, so myself — I'm very much an advocate of laissez faire in economic affairs. I think you need to have a rule, some kind of rules of governance, but then pretty much after that, market participants should be free to pursue their activities however they want, mutually beneficial exchanges. But I think it's foolish for us to try to look at a lot of American institutions and point to them as if they're examples of free enterprise when in reality they're creatures of the state entanglements that they're involved in. So I wouldn't mention healthcare is an obvious example, but also I would look at the financial industrial complex and the interactions there between the major financial investment banks and the government and what the consequences of that. If anyone in your listening wants to hear about this, look up the Carmen Segarra tapes on NPR, which was after the financial crisis. Goldman Sachs was supposed to be regulated by the Fed, the Fed established extraordinary measures of regulation. You listen to it, it's like right out of a George Stigler article about capture theory and like that. It doesn't surprise me that Mark Zuckerberg stands in front of Congress and says, "I'll help you regulate the future of the platforms."

Peter Boettke ([25:50](#)):

These are not laissez faire examples and yet they get tagged as like, sometimes people on our side will say things like, "Oh, free care, free markets on healthcare and we're better than the Canadian system," or whatever. You know, we're not a free market in healthcare. Our healthcare system is messed up. I'm not saying that that doesn't mean Canada's not messed up or that the lines about the queuing and all those other things aren't true. But we're far from having a market in healthcare, we're far from having a market in education, we're far from having a market in financial resources or whatever. We need to really articulate that kind of discussion. I understand that's very radical. It goes back to your first point. Maybe one of the answers to a lot of these questions is the only way to play the game is to not play at all. Then you go from there. So you can't really play like where I'm trying to fix the beast so that it doesn't bite too much.

Peter Boettke ([26:50](#)):

There's a great line in a book by Buchanan with Richard Musgrave. It's called *Public Choice And Public Finance*. What it was, was a Buchanan gives a lecture, Musgrave comments, Musgrave gives a lecture, Buchanan comments, and then they have their interactions with each other. At one point Buchanan says to Musgrave, because they're talking about unconstrained government, and he says, "You know, I bet if you had a lion and you were walking in the park with the lion, would you want to put a muzzle on your lion?"

Peter Boettke ([27:26](#)):

Musgrave wants to push Buchanan's buttons and he says, "No, I wouldn't put a muzzle on my lion. What if my lion wanted to eat the grass?" Buchanan of course is [inaudible 00:27:37] on this because his whole point about governments, government's a lion that we need to put a muzzle on. That's the constraints, the constitutional constraints.

Peter Boettke ([27:44](#)):

Musgrave doesn't want the constitutional constraints but the lion example should have made him think twice. So he doesn't want to get sucked into the game. So he pushes back and says, "No, I want my lion to eat the grass." Buchanan's point is, "When the lion's eating the grass, he's going to turn and eat you, so what is your problem?" It's a sort of dice and loggheads there.

Peter Boettke ([28:04](#)):

But I've always thought it was interesting, the different contrast between the views that they have. Because I do think ... obviously, various different people have taken swipes at this. You know, Thomas Sowell talking about constrained versus unconstrained visions or whatever. But there is something about people who believe that a government doesn't need to have these constitutional restraints precisely because the selector will pick good people to be in power or the democracy, the will of the people will somehow be communicated.

Peter Boettke ([28:34](#)):

The founders weren't too confident about that and I don't think we should be either. But we also have a problem because we think that these checks and balances that have in fact eroded over the years are still working. Right? What do we do now with expansion of executive privilege? How do you put that genie back in the bottle? Right? I've always, I want consistency, but what do we do with federalism? I don't know if you're familiar with the book by our colleague here in the law school, Mike Greve on *The Upside-Down Constitution*, but his argument is that we used to have competitive federalism. Right? So the different states would check against the different states, right?

Anthony Comegna ([29:18](#)):

Yeah.

Peter Boettke ([29:19](#)):

But then what happened was we got cartel federalism, so the different states would coordinate with one another to be able to do vote, log rolling basically. So what happens is we get the ... the federalism gets flipped up on its head. So rather than having competitive federalism, we have cartel federalism. When you get cartel federalism, if you throw into that emergencies like "wars," I put that in quotes, you

can't see that again. You know, "wars" which include not only like World War I and World War II, but the war on terror, the war on drugs, or anything like that, that violates any of the competition between the interjurisdictional competition. Instead, you get cartels, you get centralized power again. Well at that point, your constraints are only as good as paper. Now they're not even real constraints.

Peter Boettke ([30:05](#)):

So that puts back to your first question to me, why the hell are we trying to work with this? Well, you know, that was just our project we're doing here.

Anthony Comegna ([30:16](#)):

Pete Boettke is a professor of economics and philosophy at George Mason University, where he also directs the F.A Hayek Program for Advanced Study in PPE at the Mercatus Center, which by the way, very generously lets our little show use their studio. So shout out to the Mercatus folks for that.

Anthony Comegna ([30:36](#)):

Professor Boettke is coauthor alongside Paul Dragos Aligica and Vlad Tarko of the recent book, *Public Governance and the Classical-Liberal Perspective*. You'll definitely want to check this one out, especially if you're a student out there trying to chart your own research agenda for the coming decades.

Anthony Comegna ([30:53](#)):

Our greatest thanks to Professor Boettke and to all of you out there listening.