

COMMENT ON EALY

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I agree with Steve Ealy's goal of moving "away from government and towards independent voluntary action [for] dealing with social and community problems," and with his belief that philanthropy can be a powerful independent force in meeting this challenge. Political theory plays a central, yet so far not very helpful, role in how we think about these issues. When freed from its appropriation by statist, political theory offers us some insights vital for our task. In particular, I want to rescue the concepts of the "political" and the "public" from their current association with coercive government. Re-examining Aristotle gets us started.

Politics as Persuasion

Aristotle's view of politics included both a focus on the *polis* and a recognition that politics should be rooted in rational persuasion, not force. Only corrupt poleis depend on control over coercive power. A tension thus lies at the heart of Aristotle's theory: legitimate political authority relies on rational agreement, and existing poleis are corrupt, with government rooted in force. Much of his *Politics* was an attempt to bridge this chasm (Aristotle, 1958; diZerega, 2000, 13-51).

Distinguishing Aristotle's conception of politics from more coercive visions recovers the terms *politics* and *public* for our own use. In Aristotle's sense, politics consists of free and equal citizens seeking to discover and serve what is good for their community. The term *public* refers to the kinds of values that apply to such communities. Ealy correctly rejects Eugene Miller's equating of the state or nation with the *polis*, but I think he too quickly abandons the Classical tradition. Politics in Aristotle's sense of rational persuasion regarding public values remains very relevant to our current task.

Like the Greek *polis*, liberal democracies offer their citizens a way to discover and address public values. I use the word *value* to differentiate my point from the economists' term, public goods. Public values are ones that some citizens

believe should be manifested in societies as a whole rather than simply at the level of individual action. Sometimes this is because that is the only way they can be made manifest, such as a judicial system and reforms to improve it. In other situations, advocates of particular positions believe that their favored public values are already present but are inadequately manifested. Parks and child-care are examples. Putting the matter this way makes it an open question as to whether coercive political institutions can generally do the best job.

Polanyi and Polycentricity

Ealy perceptively argues that the notion of polycentric institutions is central to an understanding of how philanthropy might become a stronger force in serving community needs. To see why, we must grasp how this concept applies in different contexts. Polanyi identifies different polycentric social orders (Polanyi, 1951, 176-80; 1969, 49-72). The market is a well-known example, so I will briefly look at another such order: science. In science, authority comes from freely arrived upon agreement among scientists that particular hypotheses are worthy of being taken seriously. Over time, the scientific community developed persuasive criteria by which this authority is justified, such as repeatable experiments, rational explanation, mathematical precision, and the capacity to make predictions. How these criteria apply varies from field to field, but evaluations by scientists in neighboring fields play a key role in keeping science a unified body of knowledge (Polanyi, 1962, 216; Ziman, 1978, 134-5). Always approached and never fully attained, the scientific ideal is universal agreement (Ziman, 1978).

Science has it easy. There are no time constraints on when an explanation must be accepted or rejected. Some arguments win acceptance only after their originators die in obscurity, as with Alfred Wegner and continental drift and with Gregor Mendel and genetics (Ziman, 92-4; Hull, 1988, 51-3). Some issues persist for decades with no generally agreed upon explanation, such as cosmology. Science is not bothered.

When we consider authority in human society at large, the institutional landscape becomes very different. Most social issues combine more complex values and empirical claims than do most scientific disputes. Relatively impersonal criteria are more difficult to apply. How long should a patent or

copyright last? Is it acceptable to cause the death of a species? Decisions like these require large-scale application if they are to work. Time constraints also play a more prominent role in the public realm. Lack of action can lead to great suffering.

Democracy, Authority, Polycentricity

A central question of political theory is how liberal democracies address such social issues and manifest public values. Liberal democracies cannot be accurately described as hierarchies of coercive power, which is the traditional model of the state. Modern democratic polities are polycentric, manifesting many independent sources of political innovation, evaluation, and action (diZerega, 165-208; Kingdon, 1995). Federalist democratic systems involve yet another polycentric dimension (Ostrom, 1991). The closest approximation of a state in a modern democratic polity is the incumbent administration, but unlike a state it is not sovereign. Only in wartime do democracies act like states (diZerega, 1995). Abandoning the state model, which is derived from coercive power hierarchies, we can usefully conceive democracies in Aristotelian fashion as the outcome of people coming together to develop means by which to address common concerns, including evaluating just how common they are and whether to act on them (diZerega, 2001, 760-3; 1995, 296-7).

Recognizing the need sometimes to act, rational citizens adopt rules requiring less than unanimity to facilitate effective action, knowing that they may occasionally lose in the process. In *Federalist 58*, James Madison explained why:

It has been said that more than a majority ought to have been required for a...decision. That some advantages might have resulted from such a precaution cannot be denied. It might have been an additional shield to some particular interests, and another obstacle to hasty and partial measures. But these considerations are outweighed by the inconveniences...In all cases where justice or the general good might require new laws to be passed, or active measures to be pursued, the fundamental principle of free government would be reversed...[P]ower would be transferred to the minority (Rossiter, 361).

Despite the challenges of majoritarian decision making, the modern democratic-republican ideal has remained, as with Aristotle, agreement, not coer-

cion (diZerega, 2000, 13-51).

From this perspective, many market problems liberals associate with democracies can be considered information problems. Those charged as employees of the political community may take advantage of asymmetrical information and high organizing costs to abuse citizens for their own benefit and that of their allies. Asymmetries in information and organizing costs allow some people to use decision-making processes designed to serve public values to service their private interests instead, at the expense of the public in general. Inherent in any organized response to an issue, this problem is exacerbated in democratic institutions enjoying coercive power because the payoff for making decisions in one's own interests is far greater.

When Madison wrote, and particularly after political parties formed, high organizing costs beyond the local level made it seem that public values had to be addressed more centrally by government. Since then, as we have become ever more intertwined and interdependent as a society, the role of public values has in many ways increased, as F. A. Hayek acknowledged (Hayek, 1976, 7). By default, most citizens continue to assume that these values are most appropriately handled by government, because many other kinds of public values have been.

Nevertheless, our task is not to move from a state-centered to a polycentric polity, because we are already there, even if Strauss, James, and Will haven't figured it out. Rather, we need to strengthen the capacity for public values to be served successfully within civil society rather than by government. One reason for optimism is that information and organizing costs, even for complex public values, have fallen markedly in recent years.

Philanthropy, Public Values, and Government

Today many public values are served by both government and philanthropy, including art museums and libraries, parks and nature preserves, hospitals and clinics, schools and colleges, and housing and aid to the poor. The strongest argument for relying on government to supply these values is that civil society alone is inadequate to do so or applies too many strings. But as readers of this volume know, many costs accompany their governmental provision as well.

Some suggest that pursuing any public values through governmental

means is simply a case of “rent seeking.” This judgment is often—I think very often—mistaken. Many citizens support government programs without self-interested motives and are active in grassroots philanthropy as well. For example, *Mother Jones*, a left-oriented magazine, published an article about the impact of social spending cuts on poor families (Mencimer, 2003). The magazine later reported that a reader had anonymously donated \$8,000 to meet a young woman’s tuition needs for a year of college (Backtalk, 2004). As a reader of *Mother Jones*, the philanthropist most likely supported governmental social welfare programs, but when informed of their shortcomings in this particular case, contributed greatly to assist a needy person. *Were organizing and information costs low enough, it is possible that all such needs could be met outside the realm of government.*

How do we facilitate the optimum context for discovering public values and acting to provide them without relying on formally coercive mechanisms which have inherent cost inefficiencies and are prone to capture by corrupt agents, private interests, or fanatics? How do we liberate service to the public from the corruption and abuse that so often accompany formally coercive political action? How do we further empower civil society as an independent social process?

Philanthropy is a central player in the process of effectively serving public values by institutions other than formally coercive ones. Politics in its Aristotelian sense must take place today distributed throughout the political system, and it can succeed without eventuating in governmental action. Just as economists have demonstrated that markets are better than coercive political institutions for discovering and coordinating consumer ends, it is probable that many or most public values can be better discovered and served by philanthropic action rooted in formally voluntary relationships than in those where coercion is formally institutionalized.

The challenge, and it is a big one, is to enable those now originating proposals for government action to find practical nongovernmental alternatives. This would turn advocates of public values—or many of them, at least—into supporters of philanthropy and civil society rather than of governmental approaches to the addressing of public values. Many are already well aware of the drawbacks to government provision, but they often see little alternative.

Our attention then turns naturally to evaluation of the barriers to successful voluntary action in support of public values, barriers that often turn

those seeking such values toward the pursuit of formally coercive means of attaining their ends.

To give an example from environmentalism, most people who treasure wild nature are not statist. They love wild ecosystems and want some means or other of protecting them. Many nongovernmental strategies, however, are foreclosed by law. For example, neither National Forests nor Bureau of Land Management rangelands allow environmentalists to bid against logging companies and ranchers for control over logging or grazing rights. If they could, energy now employed trying to influence governmental policy would go instead towards bidding to protect natural values. Yet when environmentalists turn to the courts and politicians as the only alternative available to them, they are accused by politically privileged timber companies and ranchers of favoring “big government.”

The example of bidding rights indicates that the pursuit of voluntary approaches would not be confined to the nonauthoritarian (“libertarian”) right. In my view, many on the left would be more open to this approach than would George Will, followers of Leo Strauss, and others dominating the political right today, which makes Ealy’s critique important. Furthermore, freeing the term public would help bridge a semantic divide that does the cause of liberty no good at all.

I do not think that all public values can be provided outside government’s framework. But the extent to which they can be so provided is far greater than the extent to which they currently are. Therefore, the answer to Ealy’s question of why the governmental (*not political*) solution to social problems remains the default position is ultimately rooted in two factors. First, the mistaken but unilateral association of the public realm with government leads some to turn only to government to serve public values because it seems the only game in town. It inclines others to deny the reality of public values because of their personal hostility to government. Potential cooperation is nipped in the bud. The second factor is the relatively high organizing costs for supplying public values beyond the most local levels by nongovernmental means. With Ealy, my own work offers a rebuttal to the first of these dimensions, and it goes beyond Ealy in pointing out the importance of the positive work of lowering organizing costs in order to enable polycentric and voluntary philanthropic action to identify and effect public values.

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