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The fifth approach seeks to avoid the impossibility result by imposing constraints on admissible preferences. One way to do this is to imagine that individual preferences are based on some common, but imperfectly understood, evaluative criterion, such as a notion of the public good (Grofman and Feld, 1988). Another way is to limit the number of alternatives. If there are only two alternatives then Arrowian impossibility results do not apply. Similarly, if voters are limited to classifying alternatives into two categories (say, satisfactory and unsatisfactory), then we can also avoid impossibility results. However, the most common way in which constraints on preferences are imposed is by limiting preferences over each triple of alternatives in some way, such as by the Black single-peakedness condition (referred to by Amartya Sen as the MW condition). Arrow (1963) states a possibility theorem for single-peaked preferences, showing that we can create a transitive social welfare function while avoiding dictatorship and satisfying positive responsiveness, C/D/A, and citizen sovereignty, if we restrict ourselves to single-peaked preferences. In particular, the single-peakedness restriction guarantees that majority rule will be transitive. (We will discuss domain restriction conditions in more detail in the essay in this volume on Black’s single-peakedness condition.)

We would offer one final observation on Arrow’s Theorem. Arrow does not explicitly make use of a game-theoretic framework, nor does he connect his work to considerations of strategic misrepresentation of preferences (see, however, pp. 20–21). Nonetheless, as Craven (1992) observes, there is a deep mathematical connection between the impossibility result and later results on manipulability of social choice processes, such as the Gibbard-Satterthwaite Theorem.

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From the economic viewpoint, such “goods” as family church, love and the like are merely linguistic devices for a totality of concretely useful renditions of services (Böhm-Bawerk, 1851, 133)

It is impossible to draw a clear-cut boundary around the sphere or domain of human action to be included in economic science. (Knight, 1924, 119)

The Austrian school of economics and the Virginia school of political economy have a long history of independence — methodological, analytically, and ideologically. While Austrians typically focus on an analysis of market processes, Virginia Political economists analyze the dynamics of the political realm. Despite their seemingly disparate fields of interest both Austrians and members of the Virginia school share a commitment to methodological individualism and the development of a rational choice paradigm in the human sciences; a commitment to a catalytic or exchange-based model of social phenomena that emphasizes the dynamic processes of adjustment by individuals within the process and not exclusively the static efficiency of equilibrium states; and a deep appreciation of the classical liberal tradition and its teachings about the necessary institutional pre-requisites for a society of free and responsible individuals.

1. The Domain of Economic Explanation

Both the Austrian and Virginia schools consider the discipline of political economy a subset of the larger, more general science of human action called praxeology (see Buchanan and Tullock, 1962, 16–30). By employing the praxeological approach, Austrians and public choice economists are able to apply the “economic way of thinking”
to a wide variety of social phenomena, including areas like politics, that for many years were considered by economists to lie outside the scope of rational choice theory. From the Austrian perspective, the purpose of economics is to understand and elucidate purposive behavior in the context of the actor’s intent and to bring into relief the unintended consequences of human action. Public choice, as a discipline operating in the same praxeological framework as Austrians, has the same mission but with regard to political activity.

The praxeological approach represents the culmination of the economic way of thinking. The fullest, most consistent application of this approach belongs to the Austrian school, particularly the work of Ludwig von Mises. According to Mises, what distinguishes economics from other sciences is that it deals with conscious action. Unlike the unmotivated subject matter of the physical sciences, the subjects of economics’ study are rational, conscious agents with certain desires and beliefs about how to achieve them. In the physical sciences, the ultimate causes of matter’s “behavior” can never be known. But the science of economics is a science of human action. And its praxeological status is what allows economic scientists, who are themselves human, to thus begin with knowledge of the ultimate causes driving man’s behavior. Man engages in purposeful action and has his purpose, his ends are what drive him. For Mises and the rest of the Austrian school, this understanding of man’s action as purposeful serves as the foundation for all of economic science. The radical philosophy of science implications of the Austrian stance are explored in various writings by Mises and Hayek (see, e.g., Hayek, 1952). Because Austrians viewed themselves as working within the broader field of human action, their application of the “economic way of thinking” to political problems came naturally, and in doing so they anticipated several of the contributions later made by public choice.

2. ‘Austrian’ Contributions to the Economics of Politics

Mises is often credited by public choice scholars as one of the first scholars to approach the problems of bureaucracy from an economic point of view (see Niskanen, 1994, 3-7). Mises’s *Bureaucracy* contrasted economic organization on the basis of the profit-motive in the market, with the organization of public administration outside the context of the market economy. Mises argued that “bureaucratic management is the method applied in the conduct of administrative affairs the result of which has no cash value on the market... Bureaucratic management is management of affairs which cannot be checked by economic calculation” (1944, 47-48). In the absence of profit and loss, bureaucratic organizations must rely on rules and monitoring of subordinates. These rules and monitoring devices impede the economic performance of these organizations and their adaptability to changing economic conditions.

Mises’ 1945 essay, “The Clash of Group Interests” provides another excellent example of how scholars in the Austrian school tradition addressed topics such as the logic of concentrated benefits and dispersed costs and special interest politics. As its title suggests, this essay constitutes an early analysis of the causes and consequences of special interest group formation in the vein of public choice. Mises begins by pointing out the growing trend of special interest group emergence and battle for political privilege. Popular opinion holds that different groups have different interests that can only be served at the expense of one another. As a result, “[o]ur age,” Mises tells us, “is full of serious conflicts of economic group interests.” The emergence of these special interests in the first place is the result of government intervention that favors one group over another. Consequently, it should come as no surprise that these groups see each other as enemies and the struggle for survival as a zero-sum game. One of the first implications of special group formalism, Mises says, is the formation of even more special interest groups. So-called “producers policy” (whereby government aims to support floundering businesses) beggars group conflict as interests vie for government privilege, and group proliferation, as new interests organize to get their piece of the pie. Mises not only anticipates the growth and influence that special interest groups will increasingly have over economic policy but also traces this fact to the economic ignorance of the voting masses. He ends by correctly predicting the continuation of this trend in the future but believes one thing may have the power to thwart special interest group domination — the Constitution. In making this remark Mises foreshadows the later public choice development that stresses the importance of constitutional constraints in tying the hands of self-interested government.

Hayek’s *The Road to Serfdom* also provides an excellent example of early Austrian contributions to public choice theory. Here, Hayek is concerned with how socialism changes the demands on a democratic systems and how through this process socialism transforms the institutions of democracy into institutions of tyranny. This effect of socialism is evident in the growth of special interest groups. With the acceptance of socialist ideology, Hayek points out, comes the erosion of liberal constraints on intervention favoring particular groups. Consequently, as socialism’s popularity grew, the number of special interests pleading for privilege ballooned (Hayek, 1945, 40). Like public choice
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theorists, Hayek understood the danger of interest groups in the context of the logic of concentrated benefits and dispersed costs. While these “innumerable interests... could show that particular measures would confer immediate and obvious benefits on some, the harm they caused [on others] was much more indirect and difficult to see” (Hayek, 1945, 17–18). Hayek not only understood the logic of concentrated benefits and dispersed costs, but also understood the importance of rules over discretion and federalism in binding government power (Hayek, 1945, 73). Another recurrent theme in Hayek’s The Road to Serfdom is an analysis of the organizational logic of socialism, particularly the incentives motivating the planners and the shape they caused collective planning to take. Without market-generated information, socialism requires the exercise of political power to make it work. The best planners will therefore be the most power hungry and ruthless. The system thus selects the most unsavory characters to take its helm, who in turn have an incentive to extend their use of power as far as possible to enforce the plan and prevent others from taking their place. But power vested in the hands of the most devilish individuals is not the cause of socialism’s problems, Hayek tells us. Rather it is the necessary consequence of the incentive structure created by planning in the first place, and the type of behavior required to make the plan feasible. In order for planning to work at all, discretionary rather than rule-bound power is required (Hayek, 1945, 56–87). In exploring the dynamics of democracy under socialism and the organizational logic of collective planning, Hayek was applying the “economic way of thinking” to political problems.

Joseph Schumpeter’s work in Capitalism, Socialism and Democracy represents another example of an ‘Austrian’ contribution to public choice. In this book, Schumpeter’s section on democracy not only offers an “inquiry” into the “nature of democracy,” but also explores the myths of the “Classical Doctrine of Democracy” and collective action (Schumpeter, 1942, 240). The classical doctrine is somewhat akin to the pre-public-choice approach to politics. Via majority votes, the “will of the people” is expressed and then carried out by public-spirited, benevolent politicians. In contrast to this, Schumpeter points out that it is also “possible to frame a theory of the democratic process that takes account of all the realities of group-wise action” (Schumpeter, 1942, 249). Schumpeter uses this account of the democratic process to dismantle the myths of the classical doctrine of democracy and paint a more realistic portrait of the democratic process.

Schumpeter’s analysis anticipates the public choice concept of the rationally ignorant voter. He begins by pointing out that within the small sphere of his own private affairs, the individual has very specialized knowledge of circumstances and behaves quite rationally because in these areas the individual not only has a great degree of control over things but also the effects of his decisions will be felt strongly due to his closeness to the issues upon which he is deciding. However, “when we move still farther away from the private concerns of the family and the business office into those regions of rational and international affairs that lack a direct and unmistakable link to those private affairs, individual volition, command of facts and method of inference” cease to exist. When it comes to politics, becoming informed is costly and the perceived benefit very small due to the individual voter’s inability to affect change. As a result, Schumpeter says, the average citizen “has to make a disciplined effort to master a political problem than he expects on a game of bridge.” Due to this pervasive problem, Schumpeter tells us, voter “ignorance will persist” (Schumpeter, 1942, 258–262).

Schumpeter also anticipated the public choice implications of such rational voter ignorance. Because obtaining and using credible information and reason to inform their decisions is too costly and yields no perceptible difference to the outcome, voters act on “irrational prejudice and impulsive.” This in turn he points out, generates opportunities for politician-special interest group interaction to exert tremendous influence over political decisions. Politicians prey on the cost/benefit circumstances facing voters by offering “personal pecuniary profit to individual voters and groups of voters” in the form of “direct payments, protective duties, silver policies and so on” and spreading the costs across the ill-informed (Schumpeter, 1942, 260). Schumpeter’s analysis gets at a central concern of public choice — the logic of concentrated benefits and dispersed costs.

Politician-special interest group dynamics, which form part of the logic of democracy, Schumpeter says, lead to the creation of professional politics “[P]olitics will unavoidably be a career. This in turn spells recognition of a distinct professional interest is the individual politician and a distinct group interest in the political profession as such” (Schumpeter, 1942, 235). Contrary to the classical theory of democracy, Schumpeter suggests an approach in which politicians are viewed as engaged in a “competitive struggle for the people’s vote,” and politics is viewed as a business “dealing in votes” (Schumpeter, 1942, 266, 287).

3. The Constitutional Moment in Political Economy

The rebirth of political economy in modern economics is largely due to the scholarly output of James Buchanan.
Along with Gordon Tullock, he helped in the creation of research and teaching centers for political economy at University of Virginia, Virginia Polytechnic Institute, and George Mason University. Buchanan and Tullock’s *The Calculus of Consent* (1962) is considered the loci classicus in constitutional political economy. Buchanan and Tullock’s unique contribution to political economy was their emphasis on the ‘constitutional moment’. In subsequent work, Buchanan has continually argued that one of the most important distinctions in political and economic analysis is the distinction between games over the rules, and games within the rules. In addition to his emphasis on the different levels of analysis, Buchanan has championed the use of the consistent use of the *homoeconomicus* postulate at both levels of analysis. The reason for this is rather straightforward — by making a ‘worst case’ move at the pre-constitutional (game over the rules) and post-constitutional level (game within the rules), Buchanan is able to provide a robust theory of political economy. The rules of the game determine optimal strategies players will choose within the game, but the examination of those strategies and their impact can provide feedback in our judgment on whether the chosen rules are ‘good’ rules for social order.

Buchanan’s unique research program for political economy is well-known (if not always well understood), as is his intellectual connection to his ‘teacher’ Frank Knight. But, it is little known that Buchanan’s position is one anticipated by the Austrian economics, and in particular F.A. Hayek. Buchanan’s emphasis on rules and strategies is unique to him and Knight, but the intellectual strategy for building a robust set of rules for the economic game is not. Mises and Hayek explicitly sought to address the question of robustness in political economy.

Mid-century public interest theories assumed both benevolence and omniscience on the part of policy makers, and thus promoted a Romantic conception of the state. Ludwig Mises pointed out that whenever intellectual and moral perfection is attributed to the state the logically inescapable conclusion is that the state should be in direct control of all decision-making (Mises, 1949, 692). Because of the mid-century prevailing wisdom that in the social sciences questions of incentives were questions about motivation, and because of Mises’s own style of value-free, he chose to question the assumption of intellectual perfection while leaving the assumption of moral perfection in place. Even if good spirited public officials wanted to allocate resources in an effective manner, they would not have the requisite information/knowledge to make rational economic calculations about the alternative use of scarce resources. This is the crux of Mises’s famous ‘impossibility’ thesis with regard to rational economic calculation under socialism.

Public choice economics as developed in the 1950s and 1960s, took a different analytical path. Public choice theorists adopted a hard-headed economics which challenged the benevolence assumption, but left the omniscience assumption alone. Political agents (voter, bureaucrat, politician) act in their own interest with perfect information. Hence, by ignoring the structural uncertainty of the future and the fuzziness and subjectivity of knowledge, public choice analysis, one could argue, is methodologically inconsistent with Austrian economics. On the other hand, Austrian political economy, challenges the omniscience assumption, but continues to be reluctant to relax benevolence (Kirzner, 1985; Ikeda, 1997) and is therefore inconsistent with public choice. In simplest terms, a combined Austrian-public choice approach to political economy would relax both assumptions, and many contributions to the broader literature in Virginia Political Economy fit within this category. This hybrid market process and public choice paradigm for political economy analysis was, in fact, championed by Hayek, and it was argued by him that this approach was indeed a crucial aspect of the great contribution which Mises and Smith made to human knowledge in the 18th century. As Hayek put it:

[The main point about which there can be little doubt is that Smith’s chief concern was not so much with what man might occasionally achieve when he was at his best but that he should have as little opportunity as possible to do harm when he was at his worst. It would scarcely be too much to claim that the main merit of the individualism which he and his contemporaries advocated is that is a system under which bad men can do least harm. It is a social system which does not depend for its functioning on our finding good men for running it, or on all men becoming better than they now are, but which makes use of men in all their given variety and complexity, sometimes good and sometimes bad, sometimes intelligent and more often stupid. (1948, 114)]

Hayek devoted his intellectual energies post-1950 to exploring the Smithian research program in political economy, and in particular the institutional design of a free society. The *Constitution of Liberty* (1960) and *Law, Legislation and Liberty* (1973–1979) sought to examine in detail the requisite institutional constraints in politics and law to maintain a free economy and a peaceful social order. Hayek, like Buchanan after him, argued that the state was both coercive and necessary for large-scale human society to emerge, but for that human society to flourish both argued that the coercive powers of the state must be severely restricted through constitutional design. A particular concern in Hayek’s writings is the consequences of the social system when one group is permitted to benefit at the expense of other groups. Special interest
politics will undermine the legal and political order of a free people by diluting the 'generality' principle that underlies the rule of law. Leges, the Latin for the law, is to be contrasted with priv-*leges*. As we saw earlier with regard to the rule of law, Hayek was particularly concerned with the fixed features aspects of the institutional environment that a constitutionally limited government provides. As he wrote:

The conception of freedom under the law that is the chief concern of this book rests on the contention that when we obey laws, in the sense of general abstract rules laid down irrespective of their application to us, we are not subject to another man's will and are therefore free. It is because the legislator does not know the particular cases to which his rules will apply, and it is because the judge who applies them has no choice in drawing the conclusions of the case, that it can be said that laws and not men rule. Because the rule is laid down in ignorance of the particular case and no man's will decides the coercion used to enforce it, the law is not arbitrary. This, however, is true only if by 'law' we mean the general rules that apply equally to everybody. This generality is probably the most important aspect of that attribute of law which we have called its 'abstractness.' (1960, 153)

Hayek further argues that the chief safeguard against abuse in a constitutionally limited government is that the rules must apply equally to everybody — the government as well as the governed — and that nobody be granted exceptions from the general rule. Buchanan and Roger Congleton attempt to tease out the full implications of the generality norm for the operation of democracy in *Politics By Principle, Not Interest* (1998).

In *Law, Legislation and Liberty*, Hayek pursued his critique of special interest politics from the point of view of generality even more forcefully. Hayek acknowledged the noble and inspiring constitutional project of the American founders, but concluded that "The first attempt to secure individual liberty by constitutions has evidently failed" (1973–1979, 1). Whereas in *The Constitution of Liberty* Hayek confined his discussion mainly to a restatement of the general principles of law in a liberal society, *Law, Legislation and Liberty* devotes considerably more time to institutional construction. Hayek tells his readers that his project can be usefully seen as an attempt to do what the founders would do if they had the benefit of the knowledge we have gained in the meantime since their time in terms of the institutional weaknesses of their own design to constrain the growth of government that threatens the preservation of individual freedom. In particular, Hayek had since the 1940s advocated various forms of federalism as a means of providing a competitive check (e.g., 1948, 255–71), but starting with *The Constitution of Liberty* (1960, 206, fn. 12) and *Law, Legislation and Liberty* (1973–1979), Hayek presented arguments for alternative institutional structures — bicameralism, fixed term limits, and age requirements for legislators — that would curtail special interest politics from undermining the constitutional order.

It is not our intent to critically examine Hayek’s institutional remedies to the problems of the democratic fetish (his term) and special interest politics. Instead, for our purposes we just wanted to point out how Hayek’s work in constitutional political economy touched upon themes later developed in the work of James M. Buchanan. Buchanan is clearly one of the leading thinking in constitutional political economy, but Hayek’s leading role in exploring the constitutional moment in political economy must be acknowledged as well.

4. Conclusion

We have argued that Austrian economists have made contributions to the economic analysis from politics that anticipated many of the major developments. Austrians were among the first economists that recognized that the economic way of thinking was not limited to market exchange, but was generally applicable across social settings. We have concentrated our survey on the work of Mises, Hayek and Schumpeter and pointed out how various key concepts in public choice analysis — for example, special interest manipulation; the logic of concentrated benefits and dispersed costs in political decision making; voter ignorance; the bundled nature of political decisions; bureaucratic incentives; and the constitutional moment — are deployed by these Austrian economists in their political economy scholarship dating from the 1940s. The Austrian economists, in short, possess deep methodological, analytical and ideological affinities with their public choice brethren — especially of the Virginia School tradition.

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**AUTOCRACY**

Historically democracy has been a rather unusual form of government. At the moment about half of the human race lives under a democratic government with the poverty stricken citizens of India making up almost half of that half. This is historically unusual, but not unique. Many of the Greek city states, Rome in its early years, and most of the Phoenician city states were democracies with sharply restricted franchises. In addition, of the current non-democratic nations, almost all are dictatorships. This is also unusual. Mainly, autocratic governments have been hereditary monarchies. It seems likely that the existing dictatorships if they do not become democracies, will shift to hereditary monarchies in time. At the moment the rulers of North Korea, the area which used to be the Belgian Congo and Syria are relatives of the previous autocrat. Libya, Iraq and Cuba show signs of moving in the same direction.

Since most of the existing autocracies are not hereditary, I will start by discussing them and then turn to hereditary monarchies later. The first thing to be said about non-hereditary dictators is that they have obtained their position by climbing the slippery pole. They are normally highly intelligent, personally brave, because the contest for dictatorship is dangerous, and rather unscrupulous. They have proven their mastery of intrigue and battle, albeit the battle is mainly within the bureaucracy. Still a number of them have engaged in the kind of battle in the bureaucracy which sometimes is fatal. Almost all of them have been efficient in disposing of their rivals by deadly or less than deadly means.

In all this is hardly a selection process that will lead to the noble and just reaching ultimate control. Still there is no reason to believe that the winners have bad motives. They are unusually ambitious, but not necessarily wicked in any other respect. They are as likely to choose a government policy that will benefit those subjected to the dictatorship as is a democratically elected president. In both cases intelligence, energy, ambition, and a lack of too many scruples are necessary. Once he has achieved power the autocrat will realize that the higher officials in his government would like to replace him. They are the instruments that he must use in governing, but they are also his rivals. Keeping the system balanced so that he makes use of their talents while preventing one of them from making use of him as a stepping stone to ultimate power for himself is a difficult task, and one which he must master if he is to stay in power. Of course any knowledge of the history of such autocracies will show that not all of them succeed in that task.

Normally such a dictator has the best interest of his country and his citizens in mind, but it must necessarily take second place to protecting his power. In this sense he is like a democratic president. The president normally aims at the good of his country, but he normally is more concerned with winning the next election. The two objectives do not necessarily conflict, but when they do, the president is apt to give winning election priority. Similarly a dictator will give preventing a coup or revolution priority over simply benefiting his subjects.

One thing that should be kept in mind dealing with either hereditary or non-hereditary autocrats is that their attitude to what are commonly called public goods is radically different than that of the ordinary person. For them many public goods are actually private goods. An improved road can be regarded as a public good from the standpoint of the citizens or the economic analysis, but it may increase the wealth or security of the autocrat and hence is a private good from this standpoint. This is of course one of the
reasons why autocrats in fact provide so much in the way of public goods.

This should not be oversimplified, however. The autocrat like a democratic politician is aware of the fact that the road will benefit the country as a whole but also special-interest groups in it. Thus like a democratic politician he selects the public goods in part in terms of what they will do in benefiting influential individuals and groups who may repay that benefit by support. It is doubtful if by simply examining the road network or other collection of government expenditures on public goods one would be able to tell whether the government was a dictatorship or a democracy. If the democracy is not particularly corrupt, one could tell by examining such things as the Swiss bank accounts of the "President."

Examining the personal life of the ruler is usually one way of telling whether he is a president or dictator. The dictator has far more facilities to keep things secret than does an elected president. He can have a spectacular mistress or even a harem, palaces much more elaborate than the White House, and take long vacations without the public finding out about them. Of course if he wishes to stay in power he will find that leaving his government to take care of itself for any length of time is likely to lead to his being replaced by one of his high-ranking subordinates.

The official myth in which the ruler sits under a bare sword supported only by a thread is not a bad description of the life of such an autocrat. Mary autocrats, Stalin and Mao Tse Tung are examples, have died naturally. Many others have died either by assassination or as the result of a successful coup. Finding it necessary to retire and live on their illicit gains in some place safer than their own country is also quite common. Trying to arrange a peaceful succession followed by a luxurious retirement is difficult.

The conventional wisdom assumes that dictators provide good government. In the earlier part of my life, particularly during the 1980s, however, the orthodoxy held that certain dictators, specifically Stalin and Mao Tse Tung, provided very much better governments than capitalist democracies. Many intellectuals genuinely believed that Ho Chi Minh would give a better government than would any elected alternative. Yet, all such favored autocrats were mass murderers and all of them favored an economic system which, if in the past was fashionable, is now realized to be seriously defective. Ho's rivals in the South were victimized by street riots in the United States, that eventually led successive American governments to abandon them. In the case of one of them, Diem, President Kennedy actually organized a coup to get rid of him. Altogether uneasy lies the head that wears the crown.

We now turn to the more common type autocracy, the hereditary monarchy. It should be kept in mind that hereditary monarchs, if more stable than dictatorships, are by no means free of risk. Most of the readers of this encyclopedia will be more familiar with English history than other monarchies, and, as it happens, the English throne was one of the least stable in Europe. It was decidedly uncommon in England for a great-grandson to succeed to the throne peacefully. Most monarchies have been able to pass on their power with less difficulty so that three generations after the founder are reasonably common.

The hereditary king is in personality and ability quite different from the man who was elected his way up the slippery pole to dictatorship. In the first place the accidents of human heredity mean that the son of extraordinary capable and ambitious person may well be quite stupid and lazy. Louis XIV seems to have been not very much above a moron in intellectual ability. He used to fall asleep at cabinet meetings. Since the United States was given its independence by his support, I suppose we should refrain from criticisms, though he was quickly abandoned by Thomas Jefferson once his purpose had been served. From the standpoint of France, however, Louis XIV was a disaster.

Of course, some hereditary monarchs are of outstanding capacity. Alexander the Great is an excellent example. But on the average hereditary monarchs do not have intellectual or character capacity greater than that of the average citizen. Typically, they receive special training as children intended to prepare them for royal careers. Unfortunately, this special training may educate them in expensive and entertaining ways of spending leisure time as well as in how to govern. In some cases, in fact training in luxury takes full priority over training intended to increase the competence of the future monarch. All this is rather similar to the training of the only son of a wealthy and powerful man in an open society. Altogether the hereditary monarch is quite a different person from the dictator who has achieved power by competition. It is not obvious which of them is better from the standpoint of the average citizen.

"The Prince" is largely devoted to advice to a sovereign ruler on how to retain power. Napoleon liked to keep his generals quarelling. Machiavelli would surely have approved. Mussolini moved his higher officials around and put some of them out of government for lengthy periods. He called this "changing the guard." Once again he would have met the approval of the author of "The Prince." Indeed most rulers do rotate the armed men who provide physical security. In Stalin's time the secret police officers who guarded him and his higher officials would not know where they were to serve on a given day nor with whom they would be serving. These two things were determined by random draws so that they could not conspire in advance to admit dangerous persons.