Beyond Politics: Markets, Welfare and the Failure of Bureaucracy
William C. Mitchell and Randy T. Simmons

It may surprise today’s students of economics to learn that their field of study was, even at the turn of this century, simply a branch of political science. Today, the queen of the social sciences and the only social science to grant a Nobel prize has grown to a stature equal to its parent. And like many mature children who reflect on the judgment of their parents, economists in the public choice school of thought have begun to ruminate on the area of the parents’ inquiry. Beyond Politics, written by William Mitchell (Professor of Political Science at the University of Oregon) and Randy T. Simmons (Professor of Political Science and Director of the Institute of Political Economy at Utah State University), serves as a comprehensive introduction to public choice and its critique of institutional practices in our democratic system of government.

Drawing on the work of Friedman, Buchanan, Tullock, and others, Mitchell and Simmons not only introduce public choice but argue its case. Assuming that the reader has little background in economics or political science, Beyond Politics spends its opening chapters discussing the basic foundations and assumptions of both fields of study. While those acquainted with the fundamentals of economics and political science may find these chapters tedious, they are well written and rival several textbooks I have encountered in their explanatory power. Thus, Beyond Politics provides a well written review for the serious student while remaining accessible to those with no previous exposure to these fields of study.

Written primarily to convince as opposed to explain, Mitchell and Simmons state their thesis at the end of chapter two:

[We seek to] show the idealized democratic state to be just that—idealized but not realized and with no potential for realization. [We also seek to] show the earlier claims of market failure to be far weaker than supposed even just a few years ago; as a result, the initial justification for relying on the state, ideal or not, are seldom justifications at all (p. 35).

In support of their thesis, Mitchell and Simmons systematically trace the
Beyond Politics argues that governments are inherently unable to allocate resources effectively... justifications given by welfare economists over the past century for government intervention. Further, they examine why politicians are inclined to provide it. Following their identification, Mitchell and Simmons provide a strikingly powerful rebuttal to these justifications by exploring topics ranging from the provision of public goods to the protection of the environment. Mitchell and Simmons are not persuaded that markets are perfect; however, they hold that markets are to be preferred to the political process. Beyond Politics argues that governments are inherently unable to allocate resources effectively, even when well-intentioned. With no profit motive or price mechanism to chastise, guide, and measure the bureaucrat in terms of successful resource allocation, government fails in its efforts.

Readers will recall that Ludwig von Mises and his student Hayek's objections to centrally planned economies and their predictions of failure were based upon similar lines. Mises and Hayek argued that without a free market to organize and transmit pricing information, the centrally planned economy was doomed to allocative inefficiency and would eventually collapse. Mitchell and Simmons echo these sentiments, arguing that government-based solutions will never be efficient, for a government organization lacks the incredible ability of markets to sort and organize information.

In addition, Milton Friedman's idea of an invisible hand plays an important role in forming the foundation of Mitchell and Simmons' analysis of government programs. Essentially, they echo Friedman's sentiments that however well-intentioned they may be, solutions arising from a monopolistic government invariably have harmful and unintentional side effects.

In order to provide a rigorous framework to explain these abuses, a thorough microeconomics analysis must be made to justify the rationality of bureaucratic behavior. Beyond Politics provides this analysis, based primarily upon the monopolistic pricing model. While a background in economics is helpful, the model is presented in such a manner that those unfamiliar with the field can follow the rationale for the conclusions drawn. Further, the authors demonstrate the impact that this perverse rationality has on the macro level. Dedicating the third and largest section of the book to policy case studies, they convincingly demonstrate the predictive power of economic modeling. With their presentation of microeconomic modeling and macroeconomic effects, Mitchell and Simmons demonstrate the usefulness of economic analysis for addressing modern social issues.

Looking at Beyond Politics from a Christian perspective, I am reminded of Samuel's warning to Israel when Israel asked for a king. Speaking before the assembly which had gathered to demand the appointment of a king, Samuel warns:

"He will take your daughters to be perfumers and cooks and bakers. He will take the best of your fields and vineyards and olive groves and give them to his attendants. He will take a tenth of your grain and of your vintage and give it to his officials and attendants. Your menservants and maidservants and the best of your cattle and donkeys he will take for his own use (1 Samuel 8:13–16 NIV)."

While a democracy differs from a monarchy in structure, the potential for abuse exists regardless of a monopolistic government's form. This reality was at the heart of God's warning to the Israelite nation. Public choice, as presented in Beyond Politics, serves as an important tool to remind a citizen in a democracy to be aware of the incentives which guide government actors.

Further, Christians must keep in mind their responsibility before God to allocate limited resources in the most efficient manner, and to be good stewards of that which God has entrusted to us. The market, while not perfect, can guide us to the establishment of a Pareto equilibrium, the point at which the betterment of one will only come at the expense of another. Beyond Politics demonstrates that government is incapable of moving us closer to a
The Heroic Enterprise: Business and the Common Good
John M. Hood

Allegations of corporate misbehavior, irresponsibility, exploitation, and greed are commonplace in the mainstream media. They report plane crashes, chemical spills, clear-cutting, strip-mining, downsizing, and other disasters and devastating events seemingly caused by corporate decisions. As a result, we also hear loud, angry calls for corporate social responsibility by environmentalists, labor organizations, and government officials. John M. Hood addresses the issue of corporate responsibility, and in 200 pages manages to counter most every criticism leveled at corporate America. He emphasizes the countless benefits that result when business decisions are made according to one, and only one, principle: maximizing shareholder wealth.

Hood criticizes the modern corporate social responsibility movement, which, he says, is trapped in an unrealistic, ahistorical view of commercial activity. The problem, according to Hood, is that the news and entertainment media, by focusing on stories such as the Exxon Valdez oil spill and the Bhopal chemical-plant disaster, report that businesses are corrupt and destructive. By contrast, he asserts that the positive and, as he calls it, revolutionary, ways in which corporations have made everyday lives of