



**FREE MARKET
INSTITUTE**

TEXAS TECH
Research & Innovation

McLane Teammates Reading Program

The Role of Government in a Free Society

Participants examine the rationales that economics textbooks often provide for the existence of government (public goods and externalities). They also explore arguments the role of government that have been advanced by political philosophers. Finally, they consider the recommendations of public policy experts on specific functions of government. Key questions include:

- What is the legitimate role(s) of government?
- How do processes of collective decision-making impact the formation of social institutions?
- How do processes of collective decision-making impact the formation of public policies?

Reading Schedule

Session 1 – What Does ‘Freedom’ Mean? Part I

- Boaz, David. (1997) “Skepticism about Power.” In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 1-4.
- The Bible. (1997) “I Samuel 8.” In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 5-6.
- Hobbes, Thomas. (1651) “The Liberty of Subjects.” In *Leviathan*. 96-102. Accessed at <http://www.earlymoderntexts.com/assets/pdfs/hobbes1651part2.pdf>.
- Locke, John. (1997) “Of Property and Government.” Excerpted from *Second Treatise of Government* (1689). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 154-170.
- Rousseau, Jean Jacques. (1762) “Book I.” In *The Social Contract*. 1-11. Accessed at <http://www.earlymoderntexts.com/assets/pdfs/rousseau1762.pdf>.
- Jefferson, Thomas. (1997) “The Declaration of Independence (1776).” In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 178-180.
- Kant, Immanuel. (1997) “Equality of Rights.” Excerpted from *Theory and Practice* (1791) and *The Metaphysics of Morals* (1797). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 181-189.
- Mill, John Stuart. (1859) “Introductory.” In *On Liberty*. Accessed at https://www.econlib.org/library/Mill/mlLbty.html?chapter_num=1.



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Session 2 – What Does ‘Freedom’ Mean? Part II

- Garrison, William Lloyd. (1997) “Man Cannot Hold Property in Man.” Excerpted from *Declaration of the Sentiments of the American Anti-Slavery Convention* (1852). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 95-98.
- Douglas, Frederick (1997) “You Are a Man, and So Am I.” Excerpted from *My Bondage and My Freedom* (1969) and *The Frederick Douglass Papers* (1979). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 99-107.
- Grimké, Angelina. (1997) “Rights and Responsibilities of Women.” Excerpted from *Letters to Catherine E. Beecher* (1838). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 114-116.
- Grimké, Sarah. (1997) “Woman as a Moral Being.” Excerpted from *Letters on the Equality of the Sexes and the Condition of Woman* (1838). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 117-118.
- Hayek, Friedrich A. (2007, 1944) “The Abandoned Road.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 65-75.
- Hayek, Friedrich A. (1960) “Liberty and Liberties.” In *The Constitution of Liberty*. Chicago, IL: The University of Chicago Press. 57-72.
- Friedman, Milton. (2002, 1962) “Introduction.” In *Capitalism and Freedom*. Chicago, IL: The University of Chicago Press. 1-6.
- Constant, Benjamin. (1997) “The Liberty of the Ancients Compared with That of the Moderns.” Excerpted from *Benjamin Constant: Political Writings* (1988). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 80-87.
- Nozick, Robert (1974) “The Tale of the Slave.” In *Anarchy, State, and Utopia*. New York, NY: Basic Books, Inc. 290-292.



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Session 3 – What Does ‘Freedom’ Mean? Part III

- Nozick, Robert. (1997) “The Entitlement Theory of Justice.” Excerpted from *Anarchy, State, and Utopia* (1974). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 234-255.
- Rawls, John. (1971, 1999) “Justice as Fairness.” In *A Theory of Justice*. Cambridge, MA: Harvard University Press. 3-24.
- Holmes, Stephen, and Cass R. Sunstein (1999) “All Rights are Positive.” In *The Cost of Rights: Why Liberty Depends on Taxes*. New York, NY: W.W. Norton & Company, Inc. Accessed at <https://archive.nytimes.com/www.nytimes.com/books/first/h/holmes-rights.html>.
- Munger, Michael C. (2017) “Egalitarianism, Properly Conceived: We ALL are “Rawlsekians” Now!” *The Independent Review*, Vol. 22, No. 1. 59-70.

Session 4 – Why Do We Need ‘Government’?

- Locke, John (1690) “The Purposes of Political Society and Government.” In *Second Treatise of Government*. 40-41. Accessed at http://www.earlymoderntexts.com/assets/pdfs/locke1689a_2.pdf.
- Smith, Adam (1776) “The System of Natural Liberty.” In *An Inquiry into the Nature and Causes of the Wealth of Nations*. Accessed at <http://www.econlib.org/library/Smith/smWN19.html#IV.9.50>.
- Madison, James (1787) “Federalist No. 10.” In *The Federalist Papers*. Accessed at <https://www.ourdocuments.gov/doc.php?flash=true&doc=10&page=transcript>.
- Bastiat, Frederic (1848) “The State.” In *Selected Essays on Political Economy*. Accessed at https://www.econlib.org/library/Bastiat/basEss.html?chapter_num=8#book-reader.
- Mill, John Stuart (1859) “Of the Limits to the Authority of Society over the Individual.” In *On Liberty*. Accessed at https://www.econlib.org/library/Mill/mlLbty.html?chapter_num=4.
- Mill, John Stuart (1859) “Objections to Government Interference.” In *On Liberty*. Accessed at <http://www.econlib.org/library/Mill/mlLbty5.html#V.17>.
- Friedman, Milton. (2002, 1962) “The Role of Government in a Free Society.” In *Capitalism and Freedom*. Chicago, IL: The University of Chicago Press. 22-36.
- Stroup, Richard L. (2016) “Coercion: Protecting the Environment with Government Action.” In *Economics: What Everyone Should Know about Economics and the Environment*, 2nd Ed. Washington, DC: Cato Institute. 45-70.



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Session 5 – Public Goods and Externalities

- Cowen, Tyler (1988) “Public Goods and Externalities: Old and New Perspectives.” In Tyler Cowen, Ed., *Public Goods and Market Failures: A Critical Examination*. Washington, DC: Cato Institute. 1-26.
- Samuelson, Paul (1988) “The Pure Theory of Public Expenditure.” In Tyler Cowen, Ed., *Public Goods and Market Failures: A Critical Examination*. Washington, DC: Cato Institute. 29-33. (Reprinted from *Review of Economics and Statistics*, Vol. 36, 387-89).
- Boudreaux, Donald J. (2010) “The Private Provision of Public Goods.” May 20. Atlanta, GA: Foundation for Economic Education. Accessed at <https://fee.org/articles/the-private-provision-of-public-goods/>.
- Ebeling, Richard M. (2018) “You'd Be Surprised How Many Government Services Could Be Privately Provided.” March 15. Atlanta, GA: Foundation for Economic Education. Accessed at <https://fee.org/articles/you-d-be-surprised-how-many-government-services-could-be-privately-provided/>.
- Stroup, Richard L. (2016) “Rights: How Property Rights and Markets Replace Conflict with Cooperation.” In *Eco-nomics: What Everyone Should Know about Economics and the Environment*, 2nd. Ed. Washington, DC: Cato Institute. 25-44.
- Brennan, Jason (2017) “Private Governance and the Three Biases of Political Philosophy.” *Review of Austrian Economics*, Vol. 31, Issue 2. 235-243.

Session 6 – The Thing Itself

- Munger, Michael C. (2015) “Introduction: Seeing Unicorns.” In Kathrin DePue, Ed., *The Thing Itself: Essays on Academics and the State*. Mungerella Publishing.
- ——— (2015) “The Thing Itself: The State.”
- ——— (2015) “Democracy is a *Means*, Not an End.”



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Session 7 – Insight from Economists

- Bastiat, Frederic (1848) “What Is Seen and What Is Not Seen.” In *Selected Essays on Political Economy*. Accessed at https://www.econlib.org/library/Bastiat/basEss.html?chapter_num=4#book-reader.
- Keynes, John Maynard (1936) “Concluding Notes on the Social Philosophy towards which the General Theory Might Lead.” In *The General Theory of Employment, Interest, and Money*. Accessed at <https://www.marxists.org/reference/subject/economics/keynes/general-theory/ch24.htm>.
- Hayek, Friedrich A. (2007, 1944) “Economic Control and Totalitarianism.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 124-133.
- Friedman, Milton. (2002, 1962) “The Relationship between Economic Freedom and Political Freedom.” In *Capitalism and Freedom*. Chicago, IL: The University of Chicago Press. 7-21.
- Rothbard, Murray. (1997) “The State.” Excerpted from *For a New Liberty* (1973). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 42-49.
- Stroup, Richard L. (2016) “Choosing: Economics and Environmental Policy Choices.” In *Economics: What Everyone Should Know about Economics and the Environment*, 2nd. Ed. Washington, DC: Cato Institute. 71-90.

Session 8 – Constitutional Theory

- Buchanan, James M. (1975) “Commencement.” In *The Limits of Liberty: Between Anarchy and Leviathan*. Accessed at https://www.econlib.org/library/Buchanan/buchCv7.html?chapter_num=2#book-reader.
- Tullock, Gordon (1959) “Problems of Majority Voting.” *Journal of Political Economy*, Vol. 67, No. 6. 571-579.
- Hayek, Friedrich A. (2007, 1944) “Why the Worst Get on Top.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 157-170.
- Hayek, Friedrich A. (1960) “The American Contribution: Constitutionalism.” In *The Constitution of Liberty*. Chicago, IL: The University of Chicago Press. 261-286.
- Bastiat, Frederic (1848) “The Law.” In *Selected Essays on Political Economy*. Accessed at https://www.econlib.org/library/Bastiat/basEss.html?chapter_num=5#book-reader.



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Session 9 – Socialism

- Marx, Karl and Frederick Engels (1848) “Manifesto of the Communist Party.” In *Marx/Engels Selected Works*, Vol. One. 14-34. Accessed at <https://www.marxists.org/archive/marx/works/download/pdf/Manifesto.pdf>.
- Hayek, Friedrich A. (2007, 1944) “The Great Utopia.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 76-82.
- von Mises, Ludwig (1997) “Socialism and Interventionism.” Excerpted from *Liberalism* (1928). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 355-370.
- White, Lawrence H. (2012) “The Turn Away from Laissez-Faire.” In *The Clash of Economic Ideas: The Great Policy Debates and Experiments of the Last Hundred Years*. New York, NY: Cambridge University Press. 12-31.

Session 10 – Paternalism and Communitarianism

- Mill, John Stuart (1859) “Applications.” In *On Liberty*. Accessed at https://www.econlib.org/library/Mill/mlLbty.html?chapter_num=5.
- Prowse, Michael (1997) “Paternalist Government Is Out of Date.” Reprinted from *The Independent* (May 8, 1995). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 507-512.
- Etzioni, Amitai (1993) “A New Moral, Social, Public Order – Without Puritanism or Oppression.” In *The Spirit of Community: Rights, Responsibilities, and the Communitarian Agenda*. New York, NY: Touchstone. 1-20.
- Hayek, Friedrich A. (2007, 1944) “Individualism and Collectivism.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 83-90.
- Thaler, Richard H. and Cass R. Sunstein (2003) “Libertarian Paternalism.” *American Economic Review*, Vol. 93, No. 2. 175-179.
- Pennington, Mark (2016) “Paternalism, Behavioural Economics, Irrationality, and State Failure.” *European Journal of Political Theory*, 0(0). 1-13. Accessed at <https://doi.org/10.1177/1474885116647853>



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Session 11 – What about the Poor?

- Hayek, Friedrich A. (2007, 1944) “Security and Freedom.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 147-156.
- Friedman, Milton. (2002, 1962) “Social Welfare Measures.” In *Capitalism and Freedom*. Chicago, IL: The University of Chicago Press. 177-189.
- ——— (2002, 1962) “The Alleviation of Poverty.” 190-195.
- Pennington, Mark (2011) “Poverty Relief and Public Services: Welfare State or Minimal State.” In *Robust Political Economy: Classical Liberalism and the Future of Public Policy*. Cheltenham, UK: Edward Elgar. 151-190.



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Optional Readings, Podcasts, and Videos

Session 2 – What Does ‘Freedom’ Mean? Part II

- Roberts, Russell and Michael Munger. (2016) “Munger on Slavery and Racism.” *EconTalk*. August 22. Accessed at <http://www.econtalk.org/munger-on-slavery-and-racism/>.
- Boudreaux, Donald J. (2015) “Essential Hayek: Who is F.A. Hayek?” June 18. Accessed at <https://www.libertarianism.org/media/around-web/essential-hayek-who-is-fa-hayek>.

Session 3 – What Does ‘Freedom’ Mean? Part III

- Den Uyl, Douglas J. and Douglas B. Rasmussen (1997) “Ayn Rand on Rights and Capitalism.” Excerpted from *The Philosophical Thought of Ayn Rand* (1984). In David Boaz, Ed., *The Libertarian Reader: Classic and Contemporary Writings from Lao-Tzu to Milton Friedman*. New York, NY: Simon & Schuster Paperbacks. 169-180.

Session 4 – Why Do We Need ‘Government’?

- Roberts, Russell, Michael Munger, Richard Epstein, and Robert Skidelsky. (2013) “Capitalism, Government, and the Good Society.” *EconTalk*. September 4. Accessed at <http://www.econtalk.org/capitalism-government-and-the-good-society/>.

Session 5 – Public Goods and Externalities

- Cowen, Tyler (2008) “Public Goods.” In David R. Henderson, Ed., *The Concise Encyclopedia of Economics*. Indianapolis, IN: Liberty, Fund, Inc. Accessed at <https://www.econlib.org/library/Enc/PublicGoods.html>.
- Caplan, Bryan (2008) “Externalities.” In David R. Henderson, Ed., *The Concise Encyclopedia of Economics*. Indianapolis, IN: Liberty, Fund, Inc. Accessed at <https://www.econlib.org/library/Enc/Externalities.html>.
- Hardin, Garrett (2008) “The Tragedy of the Commons.” In David R. Henderson, Ed., *The Concise Encyclopedia of Economics*. Indianapolis, IN: Liberty, Fund, Inc. Accessed at <https://www.econlib.org/library/Enc/TragedyoftheCommons.html>.
- Roberts, Russell and Michael Munger. (2008) “Munger on Subsidies and Externalities.” *EconTalk*. March 24. Accessed at <http://www.econtalk.org/munger-on-subsidies-and-externalities/>.
- Roberts, Russell and Michael Munger. (2007) “Munger on Recycling.” *EconTalk*. July 2. Accessed at <http://www.econtalk.org/munger-on-recycling/>.



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Session 6 – The Thing Itself

- Munger, Michael C. (2015) “Transantiago: When the Thing Really, Really Tries.” In Kathrin DePue, Ed., *The Thing Itself: Essays on Academics and the State*. Mungerella Publishing.

Session 7 – Insight from Economists

- Stroup, Richard L. (2016) “Scarcity: An Economics Primer.” In *Eco-nomics: What Everyone Should Know about Economics and the Environment*, 2nd. Ed. Washington, DC: Cato Institute. 9-24.
- Roberts, Russell and Milton Friedman. (2006) “Friedman on Capitalism and Freedom.” *EconTalk*. September 4. Accessed at <http://www.econtalk.org/friedman-on-capitalism-and-freedom/>.

Session 8 – Constitutional Theory

- Roberts, Russell and Michael Munger. (2015) “Munger on Choosing in Groups.” *EconTalk*. February 23. Accessed at <http://www.econtalk.org/michael-munger-on-choosing-in-groups/>.

Session 9 – Socialism

- Hayek, Friedrich A. (2007, 1944) “The Socialist Roots of Naziism.” In *The Road to Serfdom*. Chicago, IL: The University of Chicago Press. 181-192.
- Friedman, Milton and Phil Donahue (1979) “Milton Friedman and Phil Donahue on Socialism v. Capitalism.” *The Phil Donahue Show*. Accessed at <https://www.youtube.com/watch?v=MQ0-cDKMS5M>.

Session 10 – Paternalism and Communitarianism

- Thaler, Richard H. (2017) “From Cashews to Nudges: The Evolution of Behavioral Economics.” Nobel Lecture: Richard Thaler, The Sveriges Riksbank Prize in Economic Sciences. December 8. Accessed at <https://www.nobelprize.org/prizes/economics/2017/thaler/lecture/>.

Session 11 – What about the Poor?

- Friedman, Milton. (2002, 1962) “The Distribution of Income.” In *Capitalism and Freedom*. Chicago, IL: The University of Chicago Press. 161-176.
- Munger, Michael C. (2015) “One and One-Half Cheers for a Basic-Income Guarantee: We Could Do Worse, and Already Have.” *The Independent Review*, Vol. 19, No. 4. 503-513.
- Roberts, Russell and Michael Munger. (2017) “Munger on the Basic Income Guarantee.” *EconTalk*. January 16. Accessed at <http://www.econtalk.org/michael-munger-on-the-basic-income-guarantee/>.



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Session 11 – What about the Poor? (Continued)

- Beito, David T. (2002) “This Enormous Army: The Mutual-Aid Tradition of American Fraternal Societies before the Twentieth Century.” In David T. Beito, Peter Gordon, and Alex Tabarrok, Eds., *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute. 182-197.
- Stossel, John and David T. Beito (2014) “Charity vs. Government.” *Stossel*. December 18. Accessed at <http://www.independent.org/multimedia/detail.asp?id=2634>.
- Crockett, Colonel David (2012) “Not Yours to Give.” *The Freeman*. November 16. Atlanta, GA: Foundation for Economic Education. Accessed at http://www.fee.org/files/docLib/20121116_NotYourstoGive.pdf.