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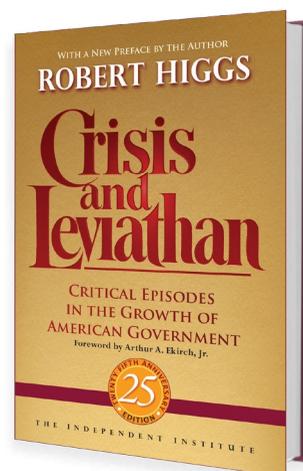
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REFLECTIONS

Is National Rational?

— ◆ —

ANTHONY DE JASAY

Ruminating on the causes and consequences of ethnic strife, I was reminded of a young woman who at one time used to type my manuscripts. Before she learned to read my handwriting, she kept mistaking my *r* for *n*, so that when I wrote “rational” she would type “national,” and vice versa. The results were sometimes quite surprising. The mistake suggests an association of ideas and a potentially serious question. Can national be rational?

Most people of liberal leanings tend to regard (and to deplore or despise) nationalism, along with the feelings that feed it, as a gut instinct, and not the most creditable one at that. It stands outside the purview of critical reason, rather like a taste we do not dispute, an ultimate preference, a Humean “passion” that can explain human conduct but that neither need nor can be explained in terms of other, more final, more basic preferences or ends.

Although I sympathize with that position, I think it gives unduly short shrift to the issue. Nationalism, whether despicable, deplorable, or not, is dangerous, potent, and important; it calls for closer consideration. One way of doing justice to the phenomenon of nationalism is to treat it counterfactually. Even if in fact it springs from sentiment fueled by historical accidents, it may be worthwhile to try to see whether nationalism could possibly be the product of rational choice. If it is, we should be able to find a theory that can explain the phenomena of nationalism *as if* they were appropriate, perhaps even the best available responses utility-maximizing individuals could make to the similarly utility-maximizing strategies of others. For present purposes, I use “utility-maximizing” in a loose sense that is almost tautological but has the merit of encompassing everything an individual thinks he should do, given his means and the information at his disposal, to get the best possible

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combination of all the things he values, whether they be tangible or intangible, moral or material.

If we could construct such a theory, nationalism and its principal institution, the nation-state, could be represented as instrumental, serving a purpose, comprehensible in terms of methodological individualism. We could inquire into the efficacy of nationalism in promoting the aims (maximizing the utility) of those who embrace it and subject themselves to its disciplines. In the present article I engage in an elementary thought-experiment. I seek to find a plausible theory that, running in terms of broadly conceived cost and benefit, could furnish elements of an answer to the question, Is national rational?

The Differential Advantage of Group Action

For nationalism to make any sort of maximizing sense, there must exist important situations (“games”) of human interaction in which the best response to the expected utility-maximizing actions of others is a group response. Impossible for any lone individual, such a response is available only to a group of individuals acting uniformly. They must form a group and then reach and submit to group decisions. In return they reap the differential advantage that, according to the hypothesis, such action can yield.

The advantage, if any, depends on at least two variables. One is group size and composition: who is in the group and who is left outside? The larger the group, the stronger it is, but perhaps the less cohesive; and the larger it is, the smaller the world outside it that group action can exploit for its own advantage. The other variable is the appropriateness of the group decision to which its members conform. How is it reached? Is the process, to use simplistic categories, democratic or autocratic? How does it allocate costs within the group, and what mechanism preserves it from stupid mistakes? Needless to say, both variables go to the heart of the problem of separate nations with their processes of collective choice and enforcement.

Bargaining and Taking

For present purposes, let us divide all possible interactions into four jointly exhaustive classes. One is pure cooperation. I help you, perhaps you also help me, or we both harness ourselves to a common endeavor. We are both better off as a result, but I am not trying to be even better off by haggling or pushing to make you a little less well off. The second is the kind of exchange whose ideal type is perfect competition. We engage in division of labor, we both gain; perhaps we would each like to gain more by making the other party gain less, but we are *ex hypothesi* “price-takers”—the terms of exchange do not depend on us and cannot be changed by any strategy. In these two types of interaction, there is no conflict: an individual’s utility-maximizing behavior would not be any different if his choices were made collectively for him and all others.

The opposite is the case in the other two types of interaction, where strategy influences the gain each makes. Here it is not implausible (though it is certainly not demonstrably true) that individuals can do better by submitting to collective choice and acting as a group. One such case is any exchange that is not perfectly competitive and whose terms are bargained. The other comprises all takings by force, intimidation, or fraud. Instead of exchange, it offers gains from robbery, enslavement, blackmail, and conquest. Defense against robbery, enslavement, blackmail, and conquest is of course the integral complement of these interactions. Even if it is not—or is not always—the case that in these “games” individuals adopting a unified course of action collectively do better than if each chose his strategy for himself, the conventional wisdom supposes that group action is more efficient. Because the conventional wisdom cannot really be falsified, it is accorded near-universal credit.

Nations and What They Cost

To capture the differential gain, groups must be formed and maintained. Their size, shape, cohesion, and modus operandi are bound to matter both for their efficiency in producing gains and for the cost of forming and maintaining them.

Historically, the dominant form of the collectively acting group has been the linguistic community, which fulfilled the most basic of group functions—including some and excluding others—by means of a common tongue separate from other tongues. Whether the historical dominance of language, rather than clan, tribe, race, class, or religion, as the crucial feature of group demarcation corresponds to the requirements of greatest efficiency (or least cost) is a matter of conjecture. Believers in sociobiological selection who regard the survival of a social institution as a test of its efficiency (which tends to be confused with “survival as a test of the capacity to survive”) tend to think it does correspond. In any event, until comparatively recently *nation* meant a linguistic community, and only since the late eighteenth century has the word taken on a clear political connotation.

Apart from language, the group typically demarcates itself from others by means of conventions, customs, shared legends about its own history, loyalty to a center, and some degree of territorial exclusivity. All these demarcating features are costly to bring forth, live with, and uphold. The cost is probably higher the greater is the required degree of group cohesion. As a general rule, there is a cost involved in requiring conformity and forgoing the advantage of diversity *within* the group as well as in requiring diversity *between* groups that would otherwise drift toward a shared conformity.

From Nation to Nation-State

Maximizing the putative differential advantage of group over individual action by incurring the costs of group formation and maintenance, up to the point at which marginal group gain ceases to exceed marginal group cost, is *ex hypothesi* collectively

rational: it is the course of action that secures the greatest possible total advantage, hence also the greatest average advantage for each of the group's members. Any one member, however, can do better than the group average if he does not contribute to costs while others do. In other words, it is individually rational to take the free-rider option if it is available. If all or even most members of the group do so, costs will not be met, and individual rationality will frustrate the collectively rational outcome—the standard outcome of the inherent prisoners' dilemma that is supposed to characterize all public-good situations.

The same dilemma-generating incentive structure characterizes a nation acting as a discriminatory group that favors its members over nonmembers. Suppression of the free-rider option is thought to require the enforcing capacity of an agent placed above individuals. Hence it is rational for the nation to transform itself into a nation-state. (How individuals are induced to make the joint effort to bring about this transformation, which is no less a public-good problem than the one it is called upon to resolve, is a question I must leave in limbo. It is not specific to the nation-state but common to all proposed cooperative solutions of a prisoners' dilemma that depend on the cooperative solution of a prior prisoners' dilemma).

The task of the nation-state is easier and the cost of its enforcing action lower, the weaker is the free-rider temptation. Weakening it, covering it with shame and guilt, is the function of patriotism in its many forms, a sentiment that it is collectively rational to foster. Hostility to and suspicion of foreigners and foreign ways, and love of one's own kind, function *as if* they were deliberately chosen means of helping to overcome the dilemma that what is collectively rational is individually irrational. It would be a functionalist fallacy, however, to conclude that the virulent and unpleasant nationalism we see around us, which is so much more vigorous than class hatred and class solidarity, is due to nationalism's capacity to help resolve a fundamental social dilemma. Nonetheless it seems that if nationalism did not exist, it would pay the nation-state to invent it.

From Public Choices to “Public Choice”

The nation-state, like every other kind of state though perhaps more effectively and ruthlessly, facilitates the making of public choices for a whole group that impose losses on one part of the group and bring gains to another part. Unlike ordinary conflict outcomes in which one party gains and another loses because might makes right, the public choices effected through a nation-state's political process are generally alleged to make some net contribution to the “common good” or the “national interest.” The claim is justified one way in democratic regimes, another way in autocratic or intermediate ones, but its basis is always the gratuitous assertion that, notwithstanding the redistribution, the choice generates a positive net balance of utility, welfare, or national

strength. As a rule these assertions are either unfalsifiable (when they depend on interpersonal comparisons of utility) or demonstrably false, as in the case of wealth-reducing protectionist measures and most other restrictions of the freedom of contract. Public-choice theory has established beyond reasonable doubt not only that such measures are wasteful in terms of forgone wealth but more significantly that they are not accidental aberrations; on the contrary, they are the irrepressible corollaries of the individually rational, maximizing use of politics, where “politics” means simply recourse to a binding social-choice mechanism.

One possible aspect of redistributive politics peculiar to some nation-states without being uniformly true of all is a propensity to redistribute liberties, rights, and privileges from heterogeneous minorities to the dominant nationality within the state. Present-day liberal opinion considers such policies, which oppress ethnic or religious minorities, as morally more wicked than the routine redistribution of material resources from dominated to dominant subgroups. The collectively irrational, wealth-wasting effect of redistributing material resources has been well established by economic research, whereas the loss inflicted on an entire collectivity by the persecution of internal minorities is more conjectural. It is probably fair to suggest, though, that short of exterminating them, organized discrimination against minorities is collectively irrational, though individually rational, at least prospectively, for members of the dominant group.

These redistributive public choices, remote as they may seem from one another, all share the basic feature of a prisoners’ dilemma, namely, that the strategy it is rational for individuals to adopt is in fact suboptimal. (In an n -person game where n is large, the solution may not be suboptimal for *all* players; but the total and the average payoff will be less than they might have been. That result qualifies it as collectively irrational).

The Costly Stalemate

Indecisive, fruitless conflict is, I believe, the best understood of the dilemmas that entrap nationalism in collective irrationality. This hackneyed theme deserves only a brief recapitulation. The differential advantage of group action works against individuals; but if this suffices to make them form a group that ends up as a nation-state, then no individuals will be left in the types of interactions in which they could suffer differential disadvantage. All will shelter in groups of a similar type; nation-state will face nation-state.

If all adopt the same strategy, none gains from it but none can afford to abandon it. This statement will be true of individuals as well as nation-states. Individuals must seek the protection of their nation-state to preserve their liberties, property, and “identity” from other nation-states. But no additional gain can be had from doing so; indeed, some might say that entrusting one’s liberty or property to the protection of the

state is foolhardy, a sure way of losing some of it. Yet in the face of foreign nation-states, one risks grave losses by not doing so, too.

“Disarmament,” figuratively and literally, in cultural and economic matters as well as in terms of guns and rockets, is best for all if all states do it, but irrational for any individual state both if the others disarm and if they don’t. Such is the logic, purportedly (but inaccurately) derived from Hobbes, that is supposed to govern international relations among nation-states and that stops most of them from becoming anything else but nation-states—organized vehicles of wary and jealous nationalism.

It is easy to overstate this case. The logic at its base is far from being as watertight as it may look. Nevertheless, there are enough historical examples where it has worked “by the book,” as Hobbes is supposed to have said that it must. The bestiality of Hutus and Serbs against their unprotected, ethnically different fellow countrymen warns us that there are even worse solutions than nation-states facing off against other nation states in balance-of-power stalemates that, happily, neither side has the stomach to test.

Two of Everything

Individually rational choice provides incentives for ethnic groups of imperfectly defined identity—incipient, underdeveloped, or nascent nations—to invent themselves a history, claim mature nation status, and seek to establish themselves as sovereign political entities. That project involves secession from an existing nation-state or multinational state. If the attempt at secession is resisted, a separatist movement, often with an illegal wing employing violent means, will maintain a situation of simmering conflict. If the attempt at secession succeeds, two states and two governments will exist where only one did before.

In many cases the separatist movement has genuine grievances, normally arising from the failure of tax-financed state education, state-controlled mass media, courts, and government offices to foster preservation of its language. This failure, a vice of omission, is sometimes hard to distinguish from a vice of commission, a deliberate centralizing, unifying policy to impose a single national majority language and cause the minority tongue to shrivel up and die. It is not altogether clear what the duties of a state are with regard to the preservation of several languages and cultures within its territory, nor what a colonial power owes to a colonized people to help it maintain its native “identity.” The question is less obvious than it looks, and answering it would be a good deal simpler if the educational and other influences affecting the survival of language and ethnicity were not tax-financed products of collective choices, that is, if the state itself played a lesser or no role in shaping them. Nor is it clear when a separatist grievance is genuine and grave enough to justify secession and to brand resistance to it as tyrannical. These hard or undecidable cases all enter into the complex rights and wrongs of self-determination, which I shall confront later.

For our immediate purposes, the interesting thing to wonder at is the nature of the incentive to secede, to put two governments in the place of one, when there is no genuine grievance, in the accepted meaning of the term, when ethnic minorities are recognized by neutral observers as having equal liberties, equal rights, and “equal opportunities,” whatever the latter is supposed to mean. (The neutrality of an observer who finds that an ethnic minority enjoys the same liberties, rights, and opportunities as the majority will almost certainly be contested by the advocates of the minority in question—it would take angelic fairness to accept that judgment. For the minority, just being in the minority means that its “rights” and “opportunities” are not equal to those of the majority. It is for this reason above all that the claim that Slavs were not oppressed in the Austro-Hungarian empire or that Germans and Hungarians were not unfairly treated in interwar Czechoslovakia is so contested and contestable).

Let us, therefore, take the (perhaps somewhat idealized, perhaps actually counterfactual) case in which an ethnic group living in a state dominated by another ethnic group has no grievance other than its minority status. Why, then, does sheer “otherness” alone generate conflict? Let us even assume that the state in question is of optimal size, so that the relation of its intrinsic costs to the benefits it can procure by having individuals act collectively is as good as possible. In this case, arguably it would be collectively rational for the minority group not to secede. However, for at least some members of that group it would still be individually rational to mount a separatist movement, because of what we might label the “Paris cultural attaché” syndrome. The label looks facetious, but it is revealing.

Each government has a cultural attaché in Paris, an ambassador to the Court of St. James, a chief delegate to the United Nations, a minister of this and a minister of that at home, and so forth. The separatist movement can attract a disproportionately large number of local patriots, frustrated teachers, poets in the vernacular, and young people troubled by a mismatch between their ambitions and their abilities, all of whom harbor the fond hope of becoming their future government’s cultural attaché in Paris or somebody equally enviable. It is well known that people tend to overvalue very small chances of large prizes, in the sense of betting on them at shorter odds than the true actuarial odds that would make the bet a fair one; this tendency is what makes bookmakers rich. Such behavior is perfectly consistent with (subjective) rationality as the maximization of expected utility, if the bettor either misjudges the true odds or attaches a more than proportionate increase in utility to a large increase in his wealth. (His action would be irrational if his betting in the face of known actuarial odds were inconsistent with any continuous and positively sloped utility function). The separatist who overestimates his chances of becoming his country’s cultural attaché in Paris or who attaches immense value to such glamour is presumably quite rational in militating for secession at great cost to his ethnic group, and thousands of militant separatists may all be rational even if all but one must fail to get appointed to the dream post in Paris.

The upshot, however, would be collectively irrational for all separatists taken together, and even more so for the whole ethnic group, on whose behalf the separatists militate but which contains nonseparatists as well as separatists. The horrors suffered by many if not most African peoples under vicious, corrupt, and irremediably incompetent postcolonial native governments provide a telling example of the price a liberation movement imposes on a whole collectivity for the satisfaction of the ambitions of a very few.

Evidently, not every secession produces fabulously bad government on the African model. For the horns of the dilemma between individual ambition and collective well-being to hurt, nationalism need not cause a proliferation of bad governments. A proliferation of governments is itself a wasteful phenomenon, making room for the growth of parasitism, even if the governments are just the average, indifferent sort. That the multiplication of states should give rise to two good governments where only a bad or indifferent one existed before, is of course possible, but it is hard to see on what grounds one should expect such an outcome.

How to Determine the Self?

Whenever the group organized under one sovereign political authority is heterogeneous in any major respect, so that the interests and preferences of its subgroups differ, conflict arises, which governments may or may not resolve by the ordinary political processes for making public choices. I am not suggesting that the democratic process is likely to generate “good” solutions and the autocratic process “bad” ones. Everywhere in the range between the two extremes, the political process produces outcomes that reflect the might of the opposing forces in being. When, however, the heterogeneity is ethnic in nature, the resulting conflict is—or at least since World War I has been widely considered to be—subject to resolution not by the ordinary political process but by invocation and exercise of the right of self-determination: Might must yield to right.

“Right,” if the word is used properly, implies that the rightholder exercises it by requiring another party to perform or suffer some act defined by the right and that the party in question has the obligation to perform or submit accordingly. The act is favorable (beneficial) to the rightholder and unfavorable (onerous) to the obligor. By exercising the right of self-determination, the “self” requires some national government to release it from that government’s authority and prerogatives. Moreover, that government must release not only the person or persons who possess the right but also some part of the national territory, loosely defined as the part in which the “self” in question resides. But who is the “self”?

At a glance, one can count no less than four ambiguities in the right of self-determination, each adding to its obscurity.

The first arises from the jointness of some person or persons as the rightholder and some territory that the rightholder is entitled to take out of the territory over

which the obligor (the state of the dominant ethnic group) is sovereign. Jointness means that the “self” who exercised the right to secede can hardly be a single person, for what would be the territory he was entitled to take out of the obligor country? Nor, for the same obvious reason, can the “self” be a very small number of persons. If entitlement to territory goes with residence, the smallest “self” that determines where it and its territory belong must be either large enough to populate a territory that can either make another country, with what that implies in terms of geographically and economically sensible new frontiers, or contiguous to another country to which it wishes to be joined. Some gerrymandering can ease the problem of secession, but is gerrymandering in its favor a right of the minority and consequently an obligation of the majority?

Hence arises the second major ambiguity. An ethnic group living in another ethnic group’s state and large enough to claim a division of territory is seldom homogenous. Within the territory it claims, it may be dominant, have a plurality, or even constitute an overwhelming majority. Nevertheless, minorities may live in its midst; do they also have the right of self-determination? Anglophone Canada has a francophone minority, which constitutes the majority in Quebec alongside an anglophone minority. Who in Canada is the “self” that holds the right of “self-determination”? Who in Quebec? And who in a particular area, county, or town within Quebec? The glib answer is “the majority,” but why is the francophone majority in Quebec entitled to take the province out of Canada if an anglophone or just anti-separatist majority in Montreal is not entitled to take the city out of Quebec? Protestant Ulstermen formed a minority in prepartition Ireland, but they constitute a majority in Northern Ireland and a minority in many areas of that territory. Similar ambiguities abound in Transylvania, the Vojvodina, Catalonia, and elsewhere. When does a minority of those living in a large territory start to enjoy the status of a majority of those living on a smaller territory, entitled to exercise a right to detach it?

A third ambiguity of self-determination is bound up with the second. If the political map is not to become a mosaic of small pieces, the “selves” who can determine themselves must be sizable multiperson ones even if, luckily, they are homogenous and not multiethnic. However, if the rightholder is a multiperson entity, who exercises its right? Societies, communities, and groups do not decide. They have decisions made for them by some formal or informal mechanism actuated by individual decisions. It is far from evident what this mechanism should be for the right to be validly exercised. What role is to be given to “freedom fighters,” militant separatists, qualified or simple voting majorities? The decision to exercise the right, to hold it in reserve, or to renounce it may change the life of generations. It is invidious for some to decide for all, whether the decision is to go or to stay. Nonunanimity is one of the great potential vices of any collective right and any collective obligation. The vice is more serious than most in the case of the right of national self-determination.

The final ambiguity is too obvious to need elaboration. Where the obligor is sovereign, enforcement of the obligation is absent by definition, a contradiction in terms; if self-determination were enforceable, the state would not be a sovereign entity. For a nation-state comprising a majority (or otherwise dominant) group and a minority, it may be collectively rational to accept self-determination as a right and to honor the corresponding obligation; likewise it may be collectively rational for the minority to retain but not to exercise the right. But it may be impracticable to share the advantages of either alternative between majority and minority in a manner that would put both in a preferred position, compared to the third alternative, which is an attempt to exercise the right and a failure to honor it, that is, unresolved conflict. Hence it may be rational for the minority to agitate for secession and for the majority not to yield.

The Need for War

All dilemmas that involve individually rational conduct leading to collectively suboptimal results can be overcome by appropriate rules. This statement is obviously true of open conflicts, whether arising from rival nationalisms or not, that either fester and remain unresolved or are resolved in a fight, with escalating recourse to force by attacker and defender, in which the parties taken together incur a joint cost that leaves both victor and vanquished worse off than no solution, let alone a nonviolent bargained solution. The bargained solution, though Pareto superior to the conflict, often cannot be reached for the same prisoners'-dilemma-type reason that opposes individual to collective rationality. I use "prisoners'-dilemma-type" loosely, to indicate an incentive structure in which a player can rationally expect to do better by being uncooperative, nasty, obstructive, and unduly demanding both when he expects the other player to be cooperative and undemanding and when he expects him to be uncooperative and demanding. Of course, appropriate rules can always ensure a peaceful and Pareto-optimal solution—a hackneyed conclusion ceaselessly repeated in "internationalist" Wilsonian exhortations.

But if recognition of the potential benefit of rules were always sufficient to make the parties concerned adopt and obey them, then rules would hardly be needed in the first place. Right incentives would elicit right choices spontaneously. Rules that aim to neutralize the "wrong" sort of incentive structure, however, are not self-enforcing. The individually rational strategy may well be to disobey them. Making them binding requires enforcement; but nation-states live in the "state of nature," where rules are not enforced by a third party, a specialized enforcer, a world government mandated to punish transgressors. Technically, the situation is one of anarchy of *some* degree of orderliness, with occasional breaches of order.

One measure of the orderliness of international anarchy is the predominance of peaceful, negotiated solutions of conflicts between nations, as opposed to recourse to

war. “War” in this context may mean a shooting war or a trade war if trade is important enough to the party refusing to yield in bargaining. War, whether economic or military, waged by a state differs from one waged by individuals in that the latter directly accept or decline the costs they would incur as a result of their choice of war or peace. In wars waged by states, costs fall on individuals who cannot decide to bear or to escape them.

However, paradoxical as it may sound, the total exclusion of war by universal military and economic disarmament would logically make negotiated solutions hard if not impossible to reach. If war were “outlawed” and the outlawing were enforced, a party to an international conflict would never gain by making any concession that would leave it worse off than its initial situation from which the bargaining started. Conflicts, therefore, could be peacefully resolved only if the initial situation was Pareto inferior, that is, if both parties could gain by moving away from it. For less benign conflicts to have a bargaining solution, it is logically necessary to introduce a dynamic factor that makes the initial situation progressively worse for the holdout party refusing to make the bargaining concession. That factor is the growing risk of war as long as the negotiation remains deadlocked. The more failure to agree looks like failure to avert war, the more the bargaining solution, with one party making the concession, resembles a move by both parties to a Pareto-superior position.

However, only the sporadic occurrence of war—that it remains, albeit distant in space or time, an event well within human experience—makes credible the risk of war that renders the failure to agree Pareto inferior. If war were either unknown or known but by some miraculous means “outlawed” or considered unthinkable in our present world, its threat could never serve to render concession in bargaining a rational strategy. Paradoxically, in a world of sovereign states, the possibility of war and its occasional occurrence are probably necessary to motivate parties to move from conflict to accommodation.

This conclusion is not cheerful, but it is a corollary of a system of groups—typically, nations organized in states whose vocation is to promote group interests. It is difficult to see how the conclusion can be avoided or attenuated, allowing peace to prevail without getting help from war, unless the institution of the state itself is avoided or attenuated.

Breaking the Link between Costs and Benefits

The sprawling argument must now be rounded up and forced into the straitjacket of a conclusion of sorts, with some pretension to generality.

Nationalism is a set of beliefs and behavioral norms designed to foster ethnic separateness and survival. By “designed” I do not mean to imply conscious calculation but rather consistency with what calculating individuals might have rationally chosen. Nationalism is a powerful aid in capturing some advantages available for group but not

for individual action.

The organized agent of nationalism is the nation-state. Its essential function is to replace individual by collective choices in any domain (over any pair of alternatives) that collective choice itself—or, as some theorists prefer to express it, collective meta-choice “at the constitutional level”—decides to preempt. On the face of it, the nation-state is a means capable of producing collectively rational outcomes that would be out of the reach of individuals acting rationally; sovereignty over individual actions must therefore rest not with individuals but with the organized collectivity. Nationalism is, among other things, a conviction that this condition is proper.

Perversely, however, the very machinery intended to impose collective rationality may produce the opposite effect. The state suppresses the basic dilemma in which individuals choose the free-rider option, evade the bearing of group costs, and as a result have no group benefits to share in, nothing to “ride free” on. But although this dilemma is suppressed, others crop up.

The stronger and more irresistible the machinery for imposing collective choices, the greater the temptation to manipulate and exploit it to individual advantage. The very ease of imposing public choices gives rise to a complex web of redistributive maneuvers within the nation-state: fiscal, regulatory, and protectionist measures, most of them wasteful and lacking the transparency that would allow them to be seen for what they are.

Moreover, although the nation-state, as initially justified, is a tool to enable an ethnic group to prevail over outsiders, its advantage disappears when the outsiders obey the same rationality and organize themselves into nation-states. The dilemma then arises that although it is individually rational for each nation to seek strength in unity and armed protection behind national frontiers, it would be collectively rational for all to dismantle the frontiers, both military and economic, and disarm.

A further dilemma appears when each ethnic subgroup aspires to be a nation and each nation seeks to have its own sovereign nation-state. There is a putative disadvantage in not having one when others have theirs. Control of the means to impose collective decisions on all is intrinsically attractive. One machinery for a large group made up of two subgroups may be the efficient solution, but it is individually rational for both subgroups to have their own governments, both sovereign, harboring two parasitic teams of office-holders where one would do. Separatist movements as well as the resistance they face, whatever their real causes, could be rationally explained by this dilemma alone. Finally, again paradoxically, the sovereignty of nationally distinct groups makes war a necessary condition of the peaceful resolution of international conflicts.

In the last analysis, these dilemmas and perverse unwelcome solutions probably have a single root cause. The making of collective choices that are binding for all, to which nationalism calls for dutiful submission, loosens if it does not break the link between benefits enjoyed and costs borne by any given individual. Then it becomes individually rational for some people to make everyone pay for something that benefits

them alone; to make only some pay for the putative “common good” of all; and even to send some people to die in war, often for the good of nobody except those few whose vanity is served.

In sum, collective choice inspired by nationalism fails in its own purpose and gets entrapped in irrationality. Though not strictly within the scope of an analysis of nationalism, a plainer, blunter conclusion also imposes itself; that never mind any test of rationality or efficiency, collective choice—no matter how inspired—would have a hard time withstanding the test of morality.