

From Meacius:

The Ruler: "This year we were unable to abolish the commercial tax of 10%. What do you think if I wait till next year and abolish it, Meacius."

This is not the way of a noble person. It is as if someone says I am sorry I steal your chickens. I will cut back to one per month and then next year stop completely.

I The Paradox of Proper Order (Necessary But Fragile)

A. Proper Order - A Beneficial Arrangement of Human Institutions And Dispositions (Psychology) That Contribute To The Material And Moral Flourishing of Human Beings

1. Government Can Create Pre-Conditions like Social Peace, But Not Outcomes

2. Proper Order Requires Cooperation Between State And Society

II. The Components OF Proper Order

- A. What - What Is Proper Order
- B. Why - Why Is Proper Order Fragile (Paradoxical)
- C. How - How Can Ordinary Human Beings Obtain Proper Order
- D. Where - Where Is Proper Order Necessary
- E. Proper Order - As Methodology And Management
- F. Three Levels -
 1. Popular Management
 2. Elite Regulation
 3. International Stability

Characteristics

III. What-Logic of Proper Order

A. Human And Humane

1. Primacy of Human Interests
- (Inclusive-Interests of All Groups)
2. Humane-Respect

B. Virtuous Leadership -

1. Leadership Capable of Balancing Self-Interest (Ruler) And The Interests of Others' Interests (Ruled)
2. Balancing Is Virtue

C. Beneficent Hierarchy

1. To Benefit

2. Hierarchy As Natural

But Variable (Good OR Bad)

Maleficent or Beneficent

D. Cosmic Resonance

1 Designing Human Institutions That Conform To the Way of Nature And Our Spiritual Forces

IV. Why It's Proper Order Fragile

A. Probabilities (Fate)

1 All Human Endeavors Are Subject To Constructive And Destructive Forces (Dynastic Cycle)

2. Conflict (Not Competition)
a. Resource Scarcity And Conflict

3. Corruption: (a. Political / b. Economic / c. Cultural / Excess / Betrayal)

1 Political - Buying Power - 2 Economic - Buying Submission - 3 Cultural / Hypocrisy

IV. B. Paradoxes of Rationality

1. The Normal Pursuit of Rational/Self-Interest Can But Need Not Make Us or Others Worse-Off

a. Opportunism - Cheating, Violating Contracts

b. Mercies - Helping One

Rice Shoots Grow. Obsession

V. How Do We Create Proper Order

A. Merit Maximization - Selection of Leaders Based On Ability and Virtue

B. Coercive Minimization
1. Coercion Is Costly - Beneficial Rule Is Less Costly

2. Coercion Is Fe-WAR Not Rule

C. Bureaucratic And Fiscal Minimization

1. Taxation Is Economically
Negative (Net Loss of Private
Wealth.

2. Bureaucracy Is Inefficient
And Second-Best (Compared
To Self-Help And Social Self-
Ordering (Example: Law suits

D. Beneficial Rule - Benefits of Rule In Any Human

Institution Must Outweigh Its
Costs Or It Will Destabilize

(Benefits > Costs)

1. Rule-Centric Rule
(Legalism) will Lose Support
And Fail.

E. Co-participation ("Confucian Federalism")

I Government (Particularly Central Government And Local Institutions (Like Families) Participate Together (Co-Participate) To Manage ~~the~~ Issues of Common Concern

a. Examples: Policy; Law

b. Thus, the State Is Just One Source of Proper Order

IV. Where Is Proper Order Necessary

A. The Self (Self-Cultivation)

B. Society (Family Root of Order)

C. Government (Central Government)

D. Proper Order Is Not Self-Creating

IV. D. Proper Care Requires
Conscious Effort By Individuals,
Families AND States-IT+IS
A Target of A Precondition
of Material And Moral
Flourishing (Families, Especially
B Requires A Method C
Tao a Methodology That
Involves Institutional Designs,
Moral Education, And Self
Cultivation

C. Proper Ordering In
Action Is Management
OF Human Interests of
Human Problems (Like WAR)

(China - 900-1900-2000s)
I. Proper Order As Popular
Management - The Primary Point
of Interaction Between
Government and Society.

A. Co-participation - Basic
Delivery System For Government
Goods And Services

B. The Role of Local Society
In Small-Scale Daily Provision
of Political Functions (Like Order
As Physical Security And Law)

C. Pre-Condition - Social Self-
Ordering And The Existence of An
Informal Service Elite Who Can
Support And Bargain for Their
Local Populations with the
Government Bureaucracy

II. The Ruler of the County (Basic And Smallest Unit of Government.

A. The Ruler - District Magistrate
1. Selected by Merit (Civil Service Examinations; Example of Merit Maximization) (3,000 to 1 Fable Rate)

2. Typically Married; 20-40 years old - Required By Law To Serve Outside Home Province; Assisted by 10-200 sub-officials
a. The County - 1000; 5 to 1 million pop. - graded by difficulty

B. The Magistrate's Functions - Multiple, Comprehensive ("Omnicompetent")

1. Large-Scale (County-wide)

2. Order (Policing)

3. Jurisdiction (Law Suits Civil, Criminal)

4. Capital Infrastructure Investment -

Dikes, Roads And Bridges, Markets;

Irrigation Networks; Food Supply

5. Regulation - of Public Health And Safety Standards like Money, Measure

C. The Functions Listed Under IB
Constitute Material Management
(Management of Material Life -
Magistrate also Conducts Moral

Management:

1. Exemplary Rule

2. Exhortation (like BeTh-ity)

3. School Management

4. Public Rituals And Rewards For ~~Moral~~
Merit

D. These Material And Moral Functions
Require Local Support & Local
Self-Ordering To Reach Completion

1 Example: Irrigation Large-Scale
and Local/hydraulic Works

2. Local Elites Organize Local
Collective Action To Carry Out a

Implement Government Functions
at local level. Jurisdiction. Invermat
Resub. New Moral Management

D.3 Local Elites Are The Leaders
of Networks of Local Institutions
a. Local Elites (Gentry; Yangban,
Are Defined by Wealth, Status, Power And
Social/Service (Service Elite,
b. Example - Resolving Local Disputes,
Organizing Collective Action;
Enforcing Moral Standards

III, Co-Participation In Action

A. The Dynamic Interaction
Between Magistrates And Local
Networks To Achieve Desired
Outcomes (like civil) Is The
Logic of Co-Participation

2 This Accounts For The

Small Size of The Government
Bureaucracy And Its Efficiency

~~III~~ Bureaucratic Aid Fiscal /
(B) Minimalism

1 Taxes; Tax Rates; And
Tax Collection

IV. Co-Participation In Action
The Ever-Normal Granaries And
"Private" (Family Owned, Community
Owned) Granaries

A. Goal (Target) - Lessening
The Severity of Food Shortages And
Pre-empting Famine

B. Ever-Normal Granaries -

Government Owned Granaries

1 At Least One Per County

2. Buys And Sells Food Grain On
A Monthly Basis (Buy Low; Sell
High to "Normalize" Prices For
Consumers And Producer

IV. C. Government Granaries
Provide Food Insurance In
Case of Large-Scale Shortages.
Grain Can Be Sold or Loaned or
Given as Relief In Times of
Emergency (Drought, Floods are the
Most Common Problems)

D. Designed To Shape Commoner's
Incentives To Engage In
Self-Storage In Good Times

1. Risk-Averse Families May
Over-Store-Drain Grain From Markets
2. Risk-Takers May Under-Store
And Become Food Vulnerable
3. Government Granaries Act Like
INSURANCE-Risk Averse Can
Store Less Because Short-Falls Are Insured

E. Risk-Takers Have At Least Incomplete Insurance

1. It is the Interaction of Local Storage (Private) And Government Storage (Co-participative) That Reduces Food Vulnerability (50% - 50% - Govt - may, Private)

2. The Central Role of the Food Supply In Government Policy (Statistics Per Month)

3. Unintended Consequences - (Possible) Price Inflation; Population Growth

IV. Lasker, Legacies of Popular Management
(A. Territorial Administration And Multi-Functional, Merit Based Bureaucracy
(B. Popular Management As Key Role of Government
(C. Co-participative