

# Ideas, Interests, and Credible

Commitments in the American Revolution

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## 1. Explaining the American Revolution

On April 9, 1774, while residents of Boston were still waiting to learn how the British government would respond to the Tea Party of the previous December, John Adams wrote a remarkably accurate political letter to his friend James Warren (now better known as the husband of America's first female historian, Mercy Otis Warren). Adams gazed into the future and judged its course from the recent past. "I am of the same opinion that I have been for many Years," Adams reminded Warren,

that there is not Spirit enough on Either side to bring the Question to a compleat Decision—and that we shall oscilate like a Pendulum and fluctuate like the Ocean, for many Years to come, and never obtain a compleat Redress of American grievances, nor submit to an absolute Establishment of Parliamentary Authority but be trimming between both as we have been for ten Years past, for more Years to come than you and I shall live. Our Children, may see Revolutions, and be concerned and active in effecting them of which we can form no conception.

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Five weeks later, the text of the Boston Port Act—the first in a series of so-called Coercive Acts passed by Parliament to punish the town and colony—arrived, provoking the crisis that led, a year later, to the outbreak of civil war and, a year after that, to the American decision for independence that Adams would soon labor so hard to effect. Adams, in other words, could not have been more wrong; yet he was no political naïf in 1774. A prominent Boston “radical,”<sup>3</sup> he had taken pride in being cast, with his better known cousin Samuel, as one of the “brave of Adamses” bedeviling imperial authority in Boston; and as soon as the crisis broke, he entered an active political career that ended only with his retirement from the presidency twenty-seven years later.

Adams’s comment offers a useful lesson to historians and social scientists. It serves as a reminder that the path from resistance to revolution was not simply a story of one incident progressively piling atop another until something (American impatience with Britain, British exasperation with America) predictably snapped. The depth of the American response to the parliamentary repression of 1774 genuinely surprised British and American leaders alike, and it therefore alerts us to the need to explain why the course of politics outran the expectations of those who had the greatest stake in predicting or at least anticipating events.

More important, Adams’s errant forecast identifies a fundamental explanatory problem in our understanding of an event of epochal importance. The American Revolution was not foreordained. There were nearly as many good reasons why it should not have occurred, or might have been avoided, as there were factors that, in the end, made independence a logical and reasonable outcome to the preceding decade of agitation. Foremost among these, it might be argued, was the striking disjunction between what was actually at stake in the specific incidents or controversies that constitute the running narrative of British provocation and American reaction after 1764, on the one hand, and the ulterior meaning and ultimate consequences that contemporaries on both sides of the Atlantic attributed to each of these episodes, on the other. Arguably the costs of complying with British proposals for imperial reform would have proved far

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<sup>2</sup> John Adams to James Warren, April 9, 1774, in Robert Taylor et al., eds., *Papers of John Adams* (Cambridge, 1977-), II, 83.

<sup>3</sup> We use this term in the sense defined by Pauline Maier, as “a legitimate and in fact technically exact word for describing men who most thoroughly criticized British policies, seeking always a return to what they considered traditional principles of British rule—that is, until events led them to conclude that no such return was possible. Maier, *From Resistance to Revolution: Colonial Radicals and the Development of American Opposition to Britain, 1765-1776* (New York, 1972), xviii.

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less burdensome than those American were prepared to incur by risking a protracted and uncertain war with the great Atlantic power of the late eighteenth century. Similarly, the costs to Britain of acceding to American constitutional arguments would have been less serious than the gamble the ministry of Lord North willingly took in assuming that coercion would bring the colonists to heel. Both sides thus had strong incentives to avoid conflict, yet in both countries after 1774, the sensible impulse to compromise always struggled against the tide of events. Why it did so poses a genuine problem not only of historical explanation, specific to this time and these places, but also of theorizing about the nature of political action more generally. Rather than assume that political decisions and actions rest on the jockeying of pressing interests, defined in fairly immediate and readily calculable terms, this account of the Revolution suggests that predictions about eventual consequences may prove more determinative.

These problems are compounded when we consider two other aspects of the coming of the Revolution. First, as historians have conclusively demonstrated, the debates and controversies that led to American independence had an avowedly intellectual character: the dispute really was about the rights and liberties that the colonists could exercise within the British empire, and the very different understandings of the British constitution that sustained the rival views. The inherent fascination of explaining the origins of the Revolution still lies in understanding how appeals to seemingly abstract notions ultimately generated such strong commitments from a larger mass of the population. How ideas constitute interests—or, more pointedly, how constitutional ideas define interests—thus remains a compelling question. Second, in these debates, those radicals who were most deeply suspicious of British intentions were ultimately proved right. When Parliament adopted its Coercive Acts of 1774, it conclusively demonstrated the danger of allowing American liberties to be placed at the disposal of a distant assembly claiming the right to legislate for the Americans—in all cases whatsoever. But this in turn leads to another question. What made it possible for radicals to gain the agreement of more moderate segments of the population, those, that is, who were not by conviction or temperament initially inclined to view the danger from Britain in quite such ominous terms, and who would still have preferred accommodation to war?

In this paper, we propose to take these questions as points of departure for an inquiry into the relation between the findings of political history and recent developments in the theory of political action. Like other forays in the contemporary “turn toward history” in the social sciences, this paper assumes that theories, models, and hypotheses about political behavior should be tested through the mechanism of analytical narratives about well documented historical episodes. In this respect, the American Revolution offers an exemplary case. Not only is there a wealth of primary sources and historical monographs available to support highly focused studies of the coming of independence, but historians have also apparently reached a high degree of consensus about the origins of the Revolution. In fact, a dominant interpretative paradigm has been in place for at least a generation, and is so well established that one could speculate whether the basic problem of explaining why the Revolution occurred has been conclusively settled. No doubt that hope is naive, but in the meantime, the relative consensus among historians should

make it easier to theorize about this inherently fascinating historical event from the vantage point of the contemporary study of political economy

Our interest in theorizing the American decision for independence is concerned with these major questions and problems: First, what conditions enabled appeals to seemingly abstract ideas and norms of constitutionalism to act not as the mere rhetorical expressions of a deeper controversy, but rather as the actual source of conflict itself? Second, can the apparent power of these appeals be explained within the framework of the theory of credible commitments developed by Weingast and students of political economy? If the American revolution was peculiarly a constitutional controversy, and if the essence of constitutionalism inheres in its capacity to persuade citizens of the stability of acceptable institutional and legal frameworks, then the collapse of American loyalty to Britain would seem to be a classic case of the failure of the ancien colonial regime to maintain a credible constitutional commitment. Third, understanding the coming of the revolution in terms of the collapse of a credible constitutional commitment helps us to explain a problem that historians have not adequately addressed: the willingness of moderates—defined here as those less imbued with ideological fervor and more prudent about weighing the potential benefits and costs of resistance—to abandon their qualms and accept the logic of independence and war. Fourth, this process in turn implicates a familiar problem in the theory of political coalitions: how does one fix and control the pivot-point necessary to establish the critical mass required to sustain the desired political action (in this case, not an election or a legislative vote but, rather more interestingly, a revolution).

In raising these questions, we are not unaware that our agenda may seem more attractive to social scientists than to historians. The turn to history in contemporary political science, economics, and political economy is now so well established that justification of the enterprise would be redundant. Historians, however, have arguably and ironically moved in the opposite direction. Their enthusiasm for applying the models and theories of social science that was manifest in the late 1960s and 1970s has clearly waned; when historians now look to other disciplines for inspiration, they seem more inclined to pursue the “literary turn” and related phenomena associated with the humanities.

4 In the realm of political history, however, this is a propitious moment to reconsider what should be the natural relationship—which can be both sympathetic and critical—that should exist between history and cognate fields. Indeed, at a time when scholarly interest in the Revolution seems moribund, the opportunity

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<sup>4</sup> To cite one example, consider the intellectual trajectory of the historian of colonial America, John Demos. In his early work, which exerted a major influence over the “new social history” of the late 1960s, Demos was something of an apostle for applying methods drawn from various social sciences, but more recently, he seems content with casting himself primarily as a story-teller.

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to ask how the accepted analyses may be "theorized" may have its own benefits.

In pursuit of these objectives, we open the substantive body of this paper by viewing the coming of the Revolution from two distinct analytical perspectives, one explicitly historical, the second from the vantage point of political economy.

<sup>5</sup> Having laid this foundation, we then turn to the specific questions and problems described above. [need to fill this out obviously once we really know what we are doing]

Finality in historical judgment is a rare commodity. The sources of revisionism in historical scholarship are many. Contemporary events may alter the underlying attitudes that historians bring to their work, creating new sympathies and aversions that affect how scholars view the subjective actors and objective actions they study. The discovery of new sources or the opening of sealed archives can shift or expand the evidentiary foundations on which an edifice of interpretation has previously rested. Developments in other disciplines and cognate fields can identify new questions or provide new analytical techniques that historians can bring to bear on old problems. And in history, as in other sciences, a resifting of familiar evidence can expose flaws in an existing interpretative paradigm.

Yet if historical judgments are rarely final or conclusive, neither is history a formless discipline in which mere shifts of intellectual fancy determine what is currently acceptable. Unlike literary studies, where mastery of an unverifiable body of "theory" sometimes seems an end in itself, history produces an incrementally expanding body of knowledge as research monographs flow from the presses. Even when existing interpretations are challenged or revised, much of the underlying narrative remains secure; to paraphrase Thomas Jefferson (in his first inaugural address of 1801), every difference in interpretative principles is not a difference about essential facts, causes, and consequences. Indeed, many differences in interpretation arise simply because the steady expansion of historical knowledge fosters a growing awareness of the complexity of events. This is especially the case when that expansion enables historians to view events from the fresh vantage points of previously neglected actors or observers.

The American Revolution—which for the purposes of this article we will define as the movement culminating in the decision for independence of 1776—is clearly one event to which these general observations about the state of historical knowledge readily apply. Like other major topics, it has been subjected to periodic waves of revisionism, all encouraged by the various factors we have just cited. There is indeed a reigning interpretive paradigm of the political-constitutional origins of the Revolution which has held sway for a scholarly generation or more, and which remains so dominant that no serious challenge to its authority or explanatory power has yet been mounted. It might even be said that the acceptance of this paradigm has turned the study of the origins of the Revolution into a relatively quiet if not inert field. Yet at the same time, discontent with this paradigm continues to fester, especially among

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<sup>5</sup> The historical section was drafted principally by Rakove, the political economy section by Weingast.

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historians who object to its purportedly elitist bias. Nor can it be said that this paradigm provides a comprehensive explanation of the range of motives that may have influenced masses of colonists to cast their lot with the common cause of independence rather than rally to the banner of crown and empire.

In its simplest form, this paradigm embraces at least these propositions:

(1) The controversy on which the First British Empire foundered arose not from any innate colonial desire to gain political independence, but from a set of reforms—some prosaic and sensible, others more radical and provocative—initiated by Britain in an effort to improve the administration of its empire, especially in the wake of its dramatic victory in the Seven Years War (1756-63). Most colonists would have been happy to remain members of that empire, but the political controversies these measures provoked exposed deep fissures in American and British understandings of the respective rights of the colonists and the powers of the empire.

(2) In its origins, the American Revolution was essentially a constitutional struggle addressed to one overriding issue: the nature and extent of parliamentary jurisdiction over the American colonies. In this struggle, successive British governments adhered to a theory of potentially unlimited parliamentary sovereignty, while colonial leaders responded that Americans were entitled to be taxed and in most instances governed only by laws enacted by their own legislative assemblies. The more carefully and intensely these issues were debated, the more dangerously these rival views of the imperial constitution diverged. Moreover, Americans were strongly disposed to assert their claims to autonomy because their own institutions had long since exercised, with the tacit acquiescence of the mother country, a substantial measure of home rule.

(3) In advancing an expansive view of their just rights, American leaders were influenced both by their conventional understanding of the major turning points in English constitutional history, notably the Glorious Revolution of 1688, and by a peculiarly jaundiced view of the current state of British politics. Colonists took seriously the warnings about ministerial corruption and misrule which various English writers had been voicing since the 1720s, and this in turn disposed them to treat the government's initiatives in colonial affairs after 1763 not as innocuous misjudgments, but as evidence of a systematic plan to subvert their fundamental rights. Recurring disputes in most of the colonies over matters of legislative privilege and royal prerogative had long since inclined Americans, as Edmund Burke recognized, to "augur misgovernment at a distance; and snuff the approach of tyranny in every tainted breeze."

(4) Because British officials were not engaged in such a campaign, but rather saw themselves undertaking reasonable initiatives to deal with pressing problems, they naturally tended to convert American allegations about the government's secret motives into evidence of the malign intentions of colonial demagogues. Yet precisely because the government had at its disposal relatively few methods of influencing colonial public opinion, the longer the controversy went on, and the more vociferous it grew, the more likely it became that the government would have to choose between acceding to American claims

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or resorting to coercion and repression to maintain its rule.

(5) Nowhere was British influence less effective than in Massachusetts, a colony with a distinctively volatile political culture. When events spun out of control in that province, as they did after 1773, the government found itself with no recourse other than a policy of coercion, and in 1774 it chose to implement this policy in part with a vigorous assertion of parliamentary jurisdiction over America. This response had a dramatic clarifying effect on politics throughout the colonies, encouraging both leaders and citizens to form a united front in support of Massachusetts. Legal government rapidly collapsed in most colonies, and political power flowed to newly mobilized committees, conventions, and congresses, the prototypes of a revolutionary regime.

(6) At this crucial point, the British government might (in theory) have chosen to negotiate, but instead, lacking political assets in America, it saw no alternative but to cling to its policy of coercion and repression, even after civil war erupted in Massachusetts in April 1775. From that point on, the American decision for independence was essentially a problem of timing. Absent any serious offer of negotiation by the government, American moderates had to accept the harsh assessments of British motives that radical leaders had long been offering.

Suppose we step back from these paradigm-comprising propositions, however, and ask a logically prior question: What are the historically specific analytical questions that these propositions purport to solve? If we can assume familiarity with the basic political narrative of the colonial movement from resistance to revolution in the decade after 1765—as the extensive scholarship on this movement entitles us to do—what are the questions we need to pose in order to fashion a satisfactory explanation of the political origins of the Revolution? Here four broad puzzles provide the analytical framework for which the reigning paradigm provides its compelling answers.

First, and arguably most important, if the essential cause of the Revolution lay in the impasse to which the constitutional controversy led, why had the dominant political forces in the two countries, sharing a common political heritage, arrived at such divergent understandings of the British constitution and the colonies—standing within the empire? This is the central question that Edmund Morgan and Bernard Bailyn, the two most acclaimed early Americanists of the postwar era, addressed in their great works on the Revolution, and which the legal historian John Phillip Reid has also revolved in his four-volume *Constitutional History of the American Revolution*. On this great overarching question, a broad scholarly consensus exists, and it is this consensus which in turn best explains why the current paradigm has maintained its lasting explanatory power.

Second, even assuming that these divergent interpretations of a common constitutional tradition were likely, if pursued, to end in irreconcilable impasse, that does not explain how thirteen disparate colonial societies attained, over time, a high enough degree of consensus to sustain both the decision for independence and the prolonged military conflict that followed. The American movement from resistance to revolution was not a simple story in which ever higher degrees of mobilization and

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militance were attained with each passing year. In 1765, it was perfectly plausible for a moderate leader like John Dickinson to worry whether the thirteen colonies could peacefully coexist without imperial mediation and control. A decade later, it was no less plausible for British leaders to think that Americans were not so unified as to rally to the support of Massachusetts should the government choose to make that recalcitrant province an object example of the costs of resisting imperial policy. When the final crisis of the empire erupted in the summer of 1774, both radical leaders and British officials were taken aback by the militance of the colonial response. Their surprise, in turn, should suggest that charting and measuring the vectors of colonial militance poses a serious problem.

Third, in their efforts to explain why the colonists rallied to the banners of resistance, historians perennially have to weigh the relative force of political principles and material considerations in the ultimate colonial decision to risk a potentially long and costly war to secure their rights and gain independence. Adherents of the dominant interpretative paradigm tend to assume that the growing divergence between American and British understandings of the sources and extent of colonial rights provides a sufficient explanation for the rupture of 1774-76. In this view, Americans identified their fundamental interests through the lens of their political ideology, and when British actions confirmed the liberty-endangering tenor of imperial policy, a critical mass of colonists drew the appropriate conclusions. Moreover, the relative prosperity of colonial society on the eve of the Revolution suggests that economic grievances and the spectre of immiseration could hardly have provided a credible incentive for resistance. Without the ideological filter that encouraged colonists to treat any concession of a parliamentary power of taxation as the first step down a slippery slope of tyranny, it is difficult to understand why the prudent citizens of the proto-bourgeois society the colonists were well on their way to becoming should have thought that the modest costs of new imperial regulations and taxation should outweigh the potential costs of taking on the triumphant power of Britain.

By contrast, dissenters from this paradigm argue that too great an emphasis on the constitutional impasse and the political obstacles to accommodation risks ignoring more specific reasons why particular groups of colonists would have been willing, even eager to challenge British rule. In this view, the appeal and attraction of a political ideology must be a function of calculations and inclinations rooted in social position and economic interest. Artisans and merchant seamen in the port towns, subsistence farmers in New England, tobacco planters in the Chesapeake, speculators and emigrants with an eye to the frontier—all must have had specific grievances or ambitions that they hoped to remedy or advance by defying British rule. Any comprehensive explanation of the origins of the Revolution must accordingly require some aggregation of the disparate concerns that made the coalition of 1774-76 possible.

Fourth, the British side of the story deserves equal, arguably greater attention. The three previous puzzles all tend to place the great burden of historical proof on the western shores of the Atlantic; they assume that the colonial movement from resistance to revolution is the problem that most demands

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explanation. Some of this emphasis doubtless reflects the nationalist bias inherent in the subject. For Americans, the Revolution is our founding event, but for British scholars it is just one chapter in the story of the British imperial hegemony of the eighteenth and nineteenth centuries—and a less important chapter by far than the struggles with revolutionary and Napoleonic France that soon followed. But it takes two parties to sustain a conflict of this nature, and it is accordingly just as essential to provide a credible account of why the British finally opted for a policy of repression and coercion over the alternative of accommodation through negotiation. Moreover, sustained attention to British motivations is necessary for two further, historically specific reasons. First, throughout the controversy, its dynamic principle and rhythm were almost always a matter of British provocation and American response; absent some challenge from the metropole, colonial radicals rarely felt they had the capacity to force matters, but instead found themselves reacting to, and capitalizing on, British miscues. As Samuel Adams so aptly summarized this strategy in April 1776: “We cannot make events. Our business is wisely to improve them.” Second, whatever mix of political ideology and calculations of interest carried the colonists into independence, the *perception* of British intransigence was demonstrably a critical factor in persuading the moderate range of the American political spectrum to despair of reconciliation. Had the British been more sensitive to these differences, a substantive offer of negotiation might well have disrupted the movement toward independence even at a comparatively late date.

### **A political economy approach to the American Revolution**

These puzzles reflect uncertainty about the relationship between ideas and abstractions about the constitution, sovereignty, and liberty, and the political and economic problems underlying the American Revolution. These puzzles reflect uncertainty about the relationship between ideas and abstractions about the constitution, sovereignty, and liberty, and the political and economic problems underlying the American Revolution. We believe that the resolution of these puzzles requires a proper understanding of constitutional politics. It is not enough to recognize, as historians do, that constitutions affect outcomes by setting the fundamental rules of the political economy. Instead, two additional and theoretical enterprises must be undertaken: first an investigation of how constitutions affect rules and outcomes; and second, an investigation of the politics of constitutions, that is, the process by which they are chosen and enforced.

Indeed, as Rakove (1996) argues for the Constitutional period, the American ideas were not developed for their own sake, but to serve profoundly political purposes. Americans articulating their ideas prior to the Revolution were not merely abstract political theorists. They were also pragmatic politicians trying to influence the course of events. To understand their behavior, however, we require a deeper understanding of the relationship of politics and economics and of ideal and instrumental goals.

A central feature of constitutionalism is the credibility of its rules. After all, constitutional rules constrain politicians only if they are enforced. The observation that constitutions shape outcomes has an implication: changes in expectations about either the constitutional rules or about their enforcement may influence expectations about future outcomes. In this way, constitutions provide a link between the realm of ideas to the realm of action.

To argue our case, we proceed in several steps. First we turn to theory to explore how, if at all, material interests influence strategic actors' preferences among constitutions. We argue that, when evaluating constitutions, as when evaluating any uncertain options, people will consider the expected value of different constitutions. Thus, their rankings of constitutions will reflect both the probability that they attach to the various constitutions and the payoffs that they expect from them. In assessing both components of expected value—probabilities and payoffs—people will give especial attention to the constitution, since it ties the future to the present.

From this perspective, in which instrumentally rational people care about the constitution, the centrality of ideas in the American Revolution no longer seems so strange. Indeed, it was rational for both sides to worry about the imperial constitution. After the Seven Years' War, both American and British interests in the empire changed so dramatically that some new governance structure was probably inevitable. The attempts to restructure were hindered by the very different beliefs that each side had about the status quo. It was the interaction of the existing beliefs on each side with the actions (based on those beliefs) that led the two sides to spiral from empire to revolution.

## **2. The political economy of ideas**

The agenda of modern historians of the American Revolution remains deeply influenced by the Progressive historians.

<sup>6</sup> The Progressives' simplistic notions of economics, economic self-interest, and politics led them to deprecate the role of ideas. Reducing ideas to a caricature, the Progressives argued that the Revolution was a power grab by colonial elites, who used the notions of liberty, tyranny, and independence to solidify their rule at home. In the Progressives' view, ideas were at best epiphenomena and, at worst, tools used by men of means to manipulate others by co-opting and pacifying them.

Modern historians have shown beyond doubt that the progressives' view cannot be sustained. Contrary to the Progressive account, the colonial ideology was consistent and coherent. And, it was well grounded in existing British constitutional thought (Morgan 1995, Bailyn 1967, Wood 1969, Greene, 1994). Nonetheless, the historians' agenda in many ways remains confined by the debate they have won.

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<sup>6</sup> See Beard, 19\*\*, and others; the Progressive arguments, and the reactions to them, are summarized in Greene, (1995a) pp. 382-440.

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As the above puzzles suggest, they have not integrated the ideational focus with concerns about politics and economics. There has been too little attention to a range of political problems surrounding the role of ideas in the American Revolution, and historians have only begun to turn to them.

Several scholars have recently offered interest-based arguments about the Revolution, for instance, Tucker and Hendrickson (1982) and Draper (1995). Although they have avoided the simplistic mistakes that plagued their materialist predecessors, none of them has managed to integrate their perspective with that of more traditional ideational histories. Instead of providing an integrated understanding of ideas and instrumental concerns, these scholars have produced works that read as a counterpoint to the focus on ideas.

### **Ideas, interests and uncertainty**

As suggested above, our view is that constitutions provide one of the keys to integrating ideas and interests. To see how constitutions link people's material and ideational concerns, consider the average person. Their worries begin with the focus of their daily lives: their family; their source of livelihood; their wealth; and the groups, associations, and communities of which they are members. Taken together, these provide a complex web of self-interest.

Considered from this perspective, Americans in 1763 had a remarkably disparate set of interests. No simple characterization, such as propertied vs. non-propertied, is sufficient to understand the divisions within the colonies. Many sources of difference affected colonial politics, including international traders and merchants vs. self-sufficient farmers; those living on the coasts vs. those on the frontier; those in religious communities vs. those in secular ones; and slaveholders vs. non-slaveholders. Because the positions of Americans widely differed, politics differed markedly across the colonies (Greene, Rakove 1987).

Politics often forces citizens to attend to issues beyond those arising out of their everyday lives. A new foreign threat is an obvious example. These polity-wide issues give rise to an instrumental aspect of the role of ideas. The reason is that citizens face three separate sources of uncertainty in evaluating these issues. First, uncertainty arises because their views are often based on incomplete understanding or theory of the world; second, because they have incomplete knowledge of the facts, for instance, what is actually going on; third, because citizens disagree about the first two. These sources of uncertainty are especially problematic when societies face external threats.

Pervasive uncertainty implies that rational individuals rarely have the luxury of basing their actions on ideas or theories of the world that they know to be true without doubt (Denzau and North 1994; Hinich and Munger 1994). Instead, they typically act on ideas or theories of the world whose probability of being true is considerably lower than 1. Major social problems typically confront citizens with the basis for

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serious doubt and uncertainty about what is going on and why, especially for new situations.

Consider a potentially major but uncertain change in circumstances facing a society. Before any hint of change, there typically exists a prevailing dominant understanding of how the world works. For British citizens in the colonies prior to 1763, this included central aspects of the British constitution, some ideas about the sanctity of religious freedom in America, some notions about the empire including ties to Britain as a means of protection against the pervasive French threat. We call this the *status quo characterization or idea*.

Suppose that the world begins to change. In the beginning, most citizens are likely to characterize the changes as modest and without profound impact. These individuals thus continue to rely on the prevail or status quo idea. Other analysts, however, may characterize the changes in a more radical manner — perhaps arguing that the changes represent a profound threat to the society. We refer to this characterization as the *new characterization or idea*. A minimal condition for widespread acceptance is that the new idea be logically and factually plausible. But logic and plausibility does not imply that the new idea persuades any other than those proposing it. Indeed, most new ideas are never taken seriously enough to become the basis of action by others.

Indeed, one problem with ideas is that they are far too prevalent — ideas are a dime a dozen. So what determines when a new idea is taken seriously by a widespread group of citizens? And what coordinates the separate actions of many citizens in rejecting the status quo idea in favor of some new idea?

To answer these questions, we draw on the recent work of Bates, De Figueiredo, and Weingast (1998) to develop four propositions about the role of ideas. When faced with two competing ideas that might be true, members of the society must decide which idea should be the basis for their actions. To be more concrete about individual decisionmaking under this form of uncertainty, we ask when will a given citizen make decisions/ favor action based on the new idea? Let  $p$  be the probability that this citizen believes the new idea to be true. With only two possible ideas, the probability that the prevailing or status quo idea is true is thus  $1 - p$ .

This approach yields four significant conclusions about the influence of ideas on political decisionmaking. First, it shows that there is a critical threshold probability,  $\pi^*$  with the following property. If a citizen believes that the probability that the new idea is below  $\pi^*$ , then he will continue to rely on the prevailing idea. However, if circumstances change so that he believes that the probability that the new idea is correct is at least as great as  $\pi^*$ , then he will rely on the new idea for choice and action.

Second, the approach yields an important comparative statics result, or prediction about how an individual's choice will change in response to changing circumstances. Let  $S$  be the *stakes*, defined as a ratio: the expected losses associated with acting on the old idea when it turns out to be false; relative to the expected losses associated with the new idea when it turns out to be false.

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<sup>7</sup> The stakes reflect the relative size of the costs of being wrong about the new idea. Notice that, all else equal—including beliefs about probabilities—as the magnitude of the threat discussed by the new idea rises, so too does the stakes.

Bates, De Figueiredo, and Weingast show that, as the stakes rise, the threshold probability,  $\pi^*$ , goes down. That is, as the stakes rise, the threshold for acting on the new view goes down. An increasingly serious threat implies that citizens are more likely to act on the new idea. This comparative result holds constant for the degree of evidence favor the two views, and hence a given citizen's estimate,  $\pi$ , that the new view is true. A further implication of the result is: As the stakes get very large—that is, as the costs of failing to act on the new idea when it turns out to be true rise relative to the costs of failing to act on the old idea when it turns out to be true—the threshold probability,  $\pi^*$ , becomes much closer to 0 than to 1. The stakes are large when citizens believe their families and livelihoods are at risk. For very large stakes, citizens may rationally act on a new idea even though they believe that the probability that the idea is true is *less than* the probability that the prevailing idea is true.

The reason is that citizens are not detectives or historians. They must weight their probability assessments by the value of the outcomes associated with the probabilities. When there is a large asymmetry in the stakes, so that the costs of being wrong about the new idea far exceed the costs of being wrong about the prevailing idea, then citizens will support actions based on the new idea even though they believe it is less plausible than the alternative (i.e., if  $\pi^* < \pi < .5$ ).

This approach to the role of ideas has several implications about the task for proponents of a new idea. Proponents of a new idea need not convince people that they are right ( $\pi = 1$ ) or even that their case is more plausible than the alternatives ( $\pi > .5$ ). They instead need to convince people that the expected value of acting on their idea is higher. The inequalities above imply that the task for a proponent of an idea is to the idea is more plausible than  $\pi^*$ . When the stakes are huge and  $\pi^*$  is closer to 0 than to 1, it can easily be that other ideas are more plausible. The comparative statics result just noted also implies a heresthetics principle (Riker 1981, 1986) for proponents of new ideas: They have an incentive to raise the stakes because this makes it more likely that their ideas will be accepted.

The third implication of the approach is that, for newly proposed ideas to become the basis for action, they must be “confirmed” or validated by events external to their proponents. The initial beliefs by most citizens,  $\pi$ , that a new idea holds are likely to be very low. Most new ideas are never taken seriously in large part because their associated probability of being true always remains low.

For an idea to become the basis for action, something must alter citizens' initial beliefs so that the probability,  $\pi$ , rises from the initial low level to above the critical threshold level,  $\pi^*$ . For  $\pi$  to rise above  $\pi^*$ , a series of events beyond the direct control of the new idea's proponent must occur that increase other citizens beliefs that the new idea is true. Specifically, the likelihood that the idea is true must increase

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<sup>7</sup> [Explain this better; provide technical definition.]

in the sense of Bayes's rule. We define as *evidence* events that increase the plausibility of the new idea for citizens. This requires application of a statistical approach to decisionmaking based on Bayes's rule. Events thus need not prove that the new idea is true. Instead, event make citizens believe that the new idea is more likely to be true.

Consider the example of Serbs living in Croatia in the late 1980s before the breakup of Yugoslavia. They were worried about how the Croatian majority would treat them, specifically, about a (initially) very small possibility that the Croatians might be bent on genocide. Croatian Serbs attended closely to the majority's actions. Suppose they observed that the Croatians drive for independence from Yugoslavia, Serbia in particular. By Bayes rule, this raises the likelihood that the Croatians are bent on violence. The reason is that non-genocidal Croatians might also seek independence, but not necessarily. On the other hand, Croatians bent on genocide would seek independence for sure. Thus, the observation of independence increases the likelihood that the Croatians are bent on violence.[\*\*\* insert FN here]

Fourth, this approach to the role of ideas predicts discontinuous change in both political behavior and ideas. As long as the probability,  $\pi$ , that the new idea is true remains below the threshold,  $\pi^*$ , citizens continue to act on the old idea. If, however, a series of events push the probability of the new idea above  $\pi^*$ , then citizens will switch discontinuously from acting on the old idea to the new idea. When the actions dictated by the competing ideas differ markedly, so too will behavior. The discontinuity occurs because individuals instantaneously switch from the old idea to the new one as the evidence for the new idea raises above the probability threshold,  $\pi^*$ . When  $\pi$  rises above  $\pi^*$ , ideas that have long been the basis for action are suddenly discarded in favor of new ones.

This approach to the role of ideas accords well with the findings of scholars who have long emphasized that it is not history that matters, but interpreted history.

<sup>8</sup> Specific ideas about the world and about the past matter. Yet not just any interpretation will do. Only those that help people make sense of their world are useful. Scholarly proponents of the role of ideas typically fail to explain why one particular idea gains credence over 1000s of other plausible ideas (as Goldstein and Keohane 1993 observe). The approach of Bates De Figueiredo, and Weingast goes beyond the traditional arguments about the role of ideas to provide a deeper understanding of the conditions that particular ideas must satisfy in order for individuals to adopt and act upon them, and these involve Bayes' rule.

#### **Constitutions and commitments**

So far, we have argued that even the most rationally self-interested people will care about

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<sup>8</sup> See such disparate scholars as North (1990) and \*\*\*.

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ideas, especially ideas about the future behavior of others. This concern about the future leads them naturally to worry about the constitution. Constitutions, written or unwritten, serve multiple purposes, ranging from stating the broad ideals of a society, to defining individual rights and protections to articulating the specific procedures of public decisionmaking. Each of these affect expectations about the future: differences in any of them may lead to different futures.

In thinking about these aspects of the constitution, people will worry about both credible commitment and self-enforcement. Stating an ideal—even one that is widely shared among citizens and is enshrined in the constitution—does not imply that the ideal is met in practice. Putting the ideal into practice requires that the constitution provide a *credible commitment* to the ideal; that is, the constitution must provide for institutions that make it in the interests of political officials to honor the ideal (Gibbons and Rutten 1997, North and Weingast 1989, Ordeshook 1992, Weingast 1995a). When such incentives exist, we say that the constitutional provision is *self-enforcing*.

The problem of credible commitment is central to all aspects of society. The above discussion demonstrates that it is intimately related to implementing widely held ideals articulated in the constitution. But credible commitments are important well beyond this. Consider two potential social problems. The first is economic. One of the fundamental problems of economic growth concerns the incentives of citizens to make investments, whether in physical or human capital. In societies without credible commitment to private property rights, individuals are not guaranteed that they will capture the fruits of hard work and investment. When others can seize or expropriate this value, individuals have far fewer incentives to invest (North 1981, 1990). This places massive hurdles in front of economic development, typically relating the society to remaining poor. The ability of a society to commit credibly to private property rights is thus central to growth; it therefore becomes a central task of a constitution (North and Weingast 1989).

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The second illustration of the impact of commitment concerns various types of minorities, whether religious, racial, or ethnic. Most societies in the world have problems protecting the rights of minorities; indeed, in most societies, minorities are persecuted, often violently (Horowitz 1985; Rabushka and Shepsle 1972). The literature demonstrates that few “divided” societies are naturally tolerant; few credibly protect the rights of minorities. Tolerance of minorities typically requires that the society provide a credible commitment to rights of minorities, for example, for religious tolerance and self-determination. Tolerance cannot be taken for granted, but must be constructed and carefully preserved through a series of political institutions (Weingast 1995b). Indeed, the religious diversity and freedom found in colonial America reflected precisely the absence of such tolerance in Europe. Creating the credible—and thus self-

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<sup>9</sup> Note that many scholars, such as Prezworski, 1991 arrive at this conclusion by beginning with democracy as the principal goal, not economic growth.

enforcing a basis for tolerance is thus also a task for the constitution.

These examples suggest that providing credible commitments to a set of constitutional rules, so that it will be self-enforcing, is a central problem for all societies. At the same time, the specific kinds of commitment problems facing societies differ. As a result, we would expect the relation of constitutions to commitments to differ across societies. Thus, we now turn to an examination of their effects in the context of revolutionary America.

### **Conclusions**

This perspective on credible commitments implies that, during times of constitutional change, people will attend not only to the ideals of their constitution, but to the provisions that make it self-enforcing. Similarly, a complete theory of a constitution will not only argue about various normative ends of society, but also about how the constitution should be structured to make these ends a likely result of the constitution.

These principles have significant implications for revolutionary America. The colonists sought to articulate a theory of the historic constitution that not only reflected their vision of a good society, but how the constitution was enforced. In their concerns for extending these principles to cover their new situation, including the possibility of an independent America, they sought to extend existing mechanisms helping to make the constitution self-enforcing.

Finally notice how the two arguments in this section interact. Recall that our perspective on the role of ideas implies that, as the stakes rise, the critical threshold probability determining when citizens will act on a new idea goes down. Events that, for whatever reason, undo a system of credible commitment to a system of existing citizen rights will profoundly threaten most citizens because it threatens them where it matters most: their family and their sources of livelihood.

Lack of attention to what makes a constitution self-enforcing has led historians to an incomplete understanding of the role of ideas in revolutionary America. Moreover, we show that this issue leads us precisely to the link between the realm of ideas and the realm of action.

### **3 Constitutional ideals and constitutional commitments during the revolutionary era**

As noted above, historians agree that the American revolution was driven by worries on both sides of the Atlantic about the constitution of the Empire. The framework laid out in the previous section shows that these worries need not imply that the revolution was simply about abstract ideals. Even the most parochial, narrowly self-interested people might have worried about constitutional ideals. They

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would do so because the constitution established the rules of governance of the Empire, rules that in turn determined the economic, social and cultural character of the Empire. That framework also shows why both sides might have found differences in their views on the constitution so worrisome: credibility. That is, both sides wanted assurances that the constitution would be enforced. In other words, the debate over the constitution was really a debate about the credibility of various structures of governance.

The ferocity of debates between the British and the colonists over ideals of constitutionalism, sovereignty, and liberty during the revolutionary era should not hide the agreement between both sides at the most abstract levels of political theory. Both sides agreed that abuse of power by government was a real threat to their well-being, and that it could best be controlled by rule of law. They further agreed that during the turmoils of the 18th Century the British had made great strides towards institutionalizing the rule of law.

Underlying these agreements on broad ideals were deep disagreements over the details of how to put those ideals into practice. Among the details they disagreed about were the substantive rights protected by the British constitution and the institutions established to protect those rights. Over time, they also came to disagree about each other's commitment to those ideals. Put crudely, the colonists worried that new policies proposed by the British at the end of the Seven Years War signaled a change in the constitution of the Empire. They feared that a constitution that could be changed so easily by Parliament provided little protection for their rights against Parliament. Conversely, the British worried that colonial resistance to the new policies signaled a change in colonial attitudes towards the Empire. They worried that a constitution that could be changed by colonial appeals to precedent and fundamental rights provided a weak foundation for membership in the Empire. In light of these changes, imperial officials wanted assurances that any concessions would not lead to American independence.

### **Contrasting views on the constitution**

To the British, there was only one Constitution in the Empire, and that was the British Constitution [Greene (1986,62)]. For them, governing the Empire was the same as governing Britain. By 1776, this meant that the British vision of the Imperial Constitution included many features usually associated with the mature, 19th Century British Constitution. Most important of these was the notion of parliamentary sovereignty, the idea that no authority stood over Parliament. In practice, this meant that whatever Parliament did was, by definition, constitutional. In addition, the British had begun to articulate the notion of "virtual representation." This idea—that Parliament represented all parts of the empire regardless of whether they had an explicit representative in Parliament—justified a relatively narrow franchise even within Britain.

The colonists rejected the equation of the British and Imperial constitutions. Like the British, they believed that Parliament had authority over matters relating to empire-wide issues, notably, trade and

security. Unlike the British, they believed that the colonies—through their local assemblies, courts, and an executive appointed by the crown—had authority over local matters, such as property rights, religion, social control, and taxation.

10 They supported this view by appealing to the Whig tradition of the late 17th and early 18th centuries, a tradition that stressed the role of custom and precedent as sources of constitutional legitimacy (Reid 1995). Thus, for the colonists, that division of power within the empire—with British control over the empire-wide issues and colonial control over all local matters—was long standing was evidence that it was constitutionally mandated.

Perhaps the most important difference in the views of the imperial constitution had to do with the notion of sovereignty. In the British view, sovereignty was indivisible so that Great Britain was sovereign over all aspects of the empire. For them, the fact that the colonists had exercised considerable local self-determination—and even governance—had no constitutional significance. They believed that this authority was delegated and discretionary, not constitutional. And what could be delegated could always be taken back. In contrast, the Americans believed that sovereignty was divisible. Indeed, from their perspective, divided sovereignty had characterized the empire for nearly a century (Greene 1986).

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The colonists derived their view of the Imperial constitution from their experience with the practice of imperial rule. That practice was in turn rooted in the peculiar economics of British rule in the Americas. From the start, the British colonies were unlike those of those of Spain or Portugal. Instead of building on military defeat of indigenous empires, the British relied on large scale settlement by adventurers, lured by the promise of a better life. Since that better life was not a sure thing—life was unusually harsh for the early settlers—the King had to offer various concessions to lure potential colonists. Among these were grants of local political power, including that of a local legislature.

Over the next century and a half, the *de facto* power of these local assemblies continued to grow. Even though the King appointed most colonial executives, he was dependent in important ways on

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<sup>10</sup> According to Wood (1966, 166-67, quoting Morgan 19\*\*, p \*\*),  
“As early as 1765, the Whigs laid down the line on which Americans stood until they cut their connections with England. Consistently from 1765 to 1776 they denied the authority of Parliament to tax them externally or internally; consistently they affirmed their willingness to submit to whatever legislation Parliament would enact for the supervision of the empire as a whole.”

<sup>11</sup> In fact, the division of authority matched a type of federalism (Weingast, 1995).

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the colonial legislatures. This dependence reflected another economic necessity: given the costliness of rule, such decentralization was the only viable alternative. For the metropole to have assumed more control would simply have been so expensive as to be ineffective.

The imperial government was slow to formally recognize the reality that it governed through what Greene calls "negotiated authority," that is effective decentralization. During the 17th and early 18th century, various statutes provided the King with authority over the colonies. For instance, he continued to appoint most colonial governors, and the acts of all colonial assemblies were subject to review by the Privy Council (Smith, 1965). However, in practice that authority was largely a dead letter. For example, governors were routinely charged to rule with the aid of the assemblies. The decline of imperial participation culminated in the Walpole administration's adoption of what Burke later called a policy of "wise and salutary neglect" during the 1730s. As a result, by 1750, the institutions charged with overseeing the details of colonial policy, such as the Board of Trade, had "atrophied." (Greene, 1991, p. 97)

Of the political practices that grew up during this period, none were closer to the hearts of many Americans' concern with liberty than their colonial assemblies. For example, members of specific self-sufficient religious communities, such as those in rural Massachusetts, might be indifferent to British imperial trade regulation, but they believed that colonial legislatures were central to protecting their religious freedoms that distinguished America from Britain. Similarly, many traders might care far more about British imperial trade policy than about religious freedom, but they depended on their legislature to define and protect their property rights and their wealth. Thus, whatever their ends, many Americans who valued their liberty, valued the colonial legislature as a way to protecting it.

12 The importance of local legislatures thus created an issue that could unite colonists.

For the colonists, the fact that they had historically had a voice through their local legislatures established a constitutional claim. In their view, an act was not constitutional simply because it satisfied some abstract principles, or because it was adopted using proper procedure. Instead, they argued that the British Constitution was, like the common law, a set of rules built on practice and precedent. Drawing on earlier Whig traditions, the colonists argued that custom and precedent were a much more effective way to restrain tyranny and arbitrary rule than procedure. In arguing for custom, they were not, as many modern

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<sup>12</sup> Not all Americans agreed that legislatures were central to the protection of freedom. Many minorities, anticipating the argument of Federalist # 10, feared that legislatures would become tools by which majority factions would oppress minorities. For them, the British Empire provided a "controlling common umpire," without which the colonies would become "a field of blood, a scene of terror and desolation." (Potter, 1983, pp. 143, 35)

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scholars argue, indulging in a nostalgic attachment to the past. Rather, they saw custom as a commitment device, since it, unlike statutes, could not be changed by any small group, such as the Crown or Houses of Parliament.

From this perspective, the historic principles governing the empire, at least as interpreted by the Americans, gave them a degree of protection—indeed, of credible commitment—against the imperial government. The notion of divided sovereignty reflected, in effect, a view that the empire had a federal structure: Britain controlled truly empire-wide issues, such as trade and security; while Americans controlled local matters, such as economic and social organization, through their legislatures. As long as both the Americans and the British agreed on this structure, principal American values of various freedoms—and livelihoods—were protected from arbitrary action by the British crown or Parliament. The theory of the constitution based on custom and precedent enshrined the long-standing practices dividing political power and hence sovereignty with constitution status. This practice characterized the empire for nearly a century (Greene 1986; see also Reid 1995), and few British actions provided a basis for believing that the British thought otherwise.

From the colonial perspective, a constitution founded on precedent had a further attractive feature. It embodied what is now called a “bright-line” credible commitment. The division of authority inherent in the federal system governing the British Empire a rule that was so clear that virtually any citizen could tell when it had been breached. The ease of monitoring made it easier for colonists to coordinate their reactions to breaches.

As noted above, while the British based their views of the imperial constitution on the same practices as the colonists, they did draw very different lessons from those practices. In particular, the British came to see their particular institutions of governance, especially the King in Parliament, as the chief bulwark against tyranny. Over the century, this approach led them closer to articulating the position of parliamentary sovereignty, under which any Act of Parliament was, by definition, constitutional. (Blackstone, 1765, 156)

From the British perspective, precedent and practice thus had very different constitutional standing than they did for the Americans. To the British, the governance structures of the Empire while useful, did not have constitutional status. Instead, they were simply policy decisions, decisions dictated by expediency and efficiency. As such, they could be changed by Parliament whenever it judged them inexpedient. Thus, to the British, the colonial assemblies were privileges granted by Parliament, not constitutional rights forced on it.

#### **The constitution and the revolutionary crisis**

Until the end of the Seven Years' War, these differences led to few lasting problems. As Greene (1994) documents, there were many disputes over authority during this period, as colonists clashed

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with imperial officials on a wide range of issues. Before 1763, the metropole and colonies had managed to resolve these disputes peacefully, although without ever addressing the underlying constitutional issues. The crisis following 1763 differed in that it grew worse over time, finally ending in war.

During this crisis, the different conceptions of sovereignty and the constitution turned out to be crucial. These conceptions guided both sides in their interpretation of their own, and their opponents, actions. The colonists' view about the long history of divided sovereign meshed with their view of the constitution, based on precedent and long-established practice. From the colonial perspective, by breaking with precedent, the British attempts at taxation, quartering troops, and suspending colonial legislatures seemed flagrant violations of the constitution and American liberty. The Americans again and again asserted that they sought only a return to the constitutional status quo within the imperial system, not independence.

To the British, Parliament's supreme authority over the constitution implied that it was not constrained by tradition. Following the long series of wars from the late 1730s that ended with the Seven Years' War, British imperial policy underwent radical change, reflecting the changing demands of empire. Although the governance of the empire, American in particular, changed after 1763, the British believed the change fully within their constitutional authority. They had fought an expensive war in part to protect the colonies; the demands of a huge new empire required a change in governance. From the British perspective, by opposing Parliament, the American demands and arguments seemed flagrant violations of the imperial system. Despite the Americans' claims of affirming the status quo, their demands appeared to the British as a call for revolutionary separation from the Empire.

That the empire's division of powers served as a bright-line commitment mechanism helps explain an important part of the colonists' fears generated by the British actions and newly articulated constitutional principles after 1763. The British view that Parliament was unlimited and unlimitable threw aside the entire set of mechanisms providing credible commitment for American liberty. Moreover, from the colonial perspective, the British theory of Parliamentary sovereignty offered *no* credible substitute, not even a poorer one. This omission potentially left Americans without credible protection from opportunistic action by the metropole. Because today's parliamentary majority could not bind tomorrow's, anything enshrined in today's legislation could be altered tomorrow.

Similarly, from the British perspective, the American claims were not credible. When the Americans claimed that the constitution allowed Parliament to regulate, but not to tax, why, the British wondered, should they believe American claims that these were the only rights that they would assert against the British? "But what assurance," they asked, "have we that you will not very soon complain of this restraint upon your trade—as much as you now do of the revenue acts?" (Hutchinson, 407) Even if the American claims about rights were not instrumental, disputes seemed inevitable, since, "the same thing may appear to the Parliament to be reasonable and just, and to others it may appear just the contrary" (Hutchinson, 389-90).

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The newly articulated British constitutional views had two direct implications. First, they threatened colonists with removing the historic sources of credible commitment for economic, social, and political organization. Of course, this was not apparent to all immediately, becoming so only over time. Second, as we will see, the British views on sovereignty—that it could not be divided—made the American arguments favoring divided sovereignty appear treasonous. These implications interacted with ominous results once the British began to react to this perceived treason. The British viewed their actions as appropriate and legitimate; to them, the colonists' actions challenged legitimate authorities, and were thus treasonous. And the Americans viewed *their* actions as appropriate and legitimate; to them, the British actions violated their liberty and rights and were thus tyrannical. Differences in ideas therefore locked the two sides into an irreconcilable conflict, propelling them toward war.

#### **4. Governing the Empire after the Seven Years' War**

The dispute between the colonies and Britain was set in motion by the end of the Seven Years' War. At the end of the War, the British found themselves with an Empire that was jerry built, put together piece by piece, with each piece crafted to meet the demands of the moment. Despite this organizational incoherence, the Empire worked. For the century before 1763, harmony within the empire was governed by self-interests and a set of complementary values about liberty. After 1689, the French threat underpinned the harmony British and American self-interest: both needed one another. In combination with the fact that the American colonies constituted the major part of the British empire, the French threat implied that a major harm to one harmed the other. British and Americans cooperation reflected this reality, and governance of the empire underpinned by the harmony of interest between America and Britain in the face of the French threat.

#### **The Empire in 1763**

The success of this policy could be seen in the transformation of the colonies. Indeed, by any of standard measures of economic activity, the colonies were thriving in 1750. For example, from 1650 to 1700, the total population of the American colonies almost quadrupled, increasing from 114 thousand to 412 thousand. And by 1770, the colonial population had increased seven fold, to 2.8 million, with almost 80 percent of them living in North America. While income and wealth figures are harder to come by, the fragmentary data that we do have suggests that they were doing very well. Thus, estimates of income range from \$742 to \$866 (McCusker and Menard, 1985, 50). Moreover, colonial wealth and income were more widely distributed than in Britain. As a result, more of the colonists had a direct stake in economic policy than did their counterparts in England.

The growth of the colonies was driven by their participation a British-American economy built

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on regional specialization. Stretching from Nova Scotia to the Sugar Islands, the American colonies were tied together by a division of labor that made all of them richer. This division of labor allowed them to specialize, so that each could produce more than if it had to produce all of its needs alone.

Compared to the British economy, the colonies were tiny. And, given imperial policy, they were not an important source of public revenue. However, they were important to those in Britain who participated in the imperial economy. For them, colonial policy was crucial to their long run economic health; if the colonies suffered, so would they. These merchants eventually constituted an interest group in their favor in England.

The economic diversity of the colonies—from plantations in the south to subsistence farming in the north—was matched by their religious diversity. Like Britain, the colonies were dominated by Protestants. Yet that domination obscured important differences. Most obviously, the colonies had not accepted the establishment of the Church of England. Indeed, they were not dominated by any single sect—the religious makeup of the colonies varied. In most of them, the Church of England was just another church. There was also a great deal of diversity across the colonies. In many of them, no single religion was dominant; and no group dominated anywhere near a majority of them. Within some colonies, there was an established religion; more of them established some sort of religion.

This diversity had important implications for the colonists' views of the government. Most obviously, the colonists were worried about religious domination. Many of the colonists were worried about what would happen if the "wrong" people got their hands on the levers of power. These fears ranged from worry about domination within the colonies, to the imposition of religion from without. British might impose a state religion on them—a pope is a pope, whether he lived in Rome or Canterbury (Clark, 1994).

The period around 1750 also saw changes in political practice that were as dramatic as the changes in economics and society. As noted above, by 1750, the colonies had become increasingly self-governing (Greene 1986). They developed real representative systems, legislatures, and courts. Beginning in 1748, the British began to reassert their control over the colonies. The result was a series of initiatives by the Board of Trade, such as that against the issuing of paper money in the colonies. All of these policies failed in the short run; for example, the currency bills were defeated twice in Parliament. The outbreak of the Seven Years' War put an end to them for the time being. They did, however, lay the foundations for future discontent on both sides of the Atlantic. On the British side, the failures of these reforms showed the futility of piecemeal reform, and thus the need for more systematic policy programs. And on the American side, they would later provide evidence that later policy initiatives were part of a larger plan.

### **Peace policy and the reconstitution of the Empire**

It was against this background that the British and the colonists had to react to the shock of the end of the Seven Years' War (Christie 1966, Tucker and Hendrickson 1982). The end of the War and the

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removal of the French from North America had important implications for both the British and the Colonists. First, it decisively ended the French threat for the time being. Second, victory led to creation of a much larger, more secure, more diverse and more deeply indebted, Empire. Third, the first two implied major changes in the interests of both Britain and America. Self-interest no longer underpinned a harmony of interests, with harm to one being a harm to the other.

For the British, the massive new empire raised a host of new administrative and policy questions. The old means of governing the empire was wholly inadequate for the new situation. Moreover, as their experience during the 1750s showed, ad hoc, piece meal reform was unlikely to succeed; success would likely require policies that affected all of the colonies at once. The British therefore began groping toward a new administrative apparatus for governance. This produced a new set of risks for the Americans. Prior to the Seven Years' War, the Americans colonies were a sufficiently large portion of the empire that British interests led them to promote economic growth. But after the Seven Years' War, what was good for the entire empire was not necessarily good for any one part. In particular, the British might easily pursue policies that imposed a burden on one portion of the empire if they believed these burdens were more than compensated for by benefits elsewhere.

The Seven Years' War had several implications for American behavior. First, in the absence of the French threat, Americans would be less likely to suffer burdens, because there would no concomitant gains. The same held for the British: the now much larger Empire implied that the original American colonies no longer loomed so large. Standard theories of bargaining among self-interested parties suggests that they would be less conciliatory to the British than before the war. Second, a contemporaneous economic change had occurred in America: By mid-century, for the first time, America had real wealth to expropriate (McCusker and Menard, 1985). This, too, had an implication for both the British and the Americans. For the British, it implied that for the first time there was something to extract from the Americans; for the Americans, it implied that they had more to fear from British opportunism.

This view suggests an explanation for Tucker and Henderson's (1992) claims that the change in British and American interests after the Seven Years' War implied that neither would behave as they had under the historic constitution, even if both agreed on that constitution. Put another way, the same constitution under circumstances prior to the Seven Years' War meant something very different than under the circumstances following the war. Further, as Tucker and Hendrickson argue, the freedoms allowed under the status quo constitution implied that the Americans would move toward de facto independence.

This is not a prediction that American independence was inevitable. After all, the colonies were relatively happy. It is merely a suggestion of where the two sides were headed without constitutional change. Given the new circumstances, the two sides might have negotiated a new set of agreement about the governance of the empire, at least with respect to themselves. However, in addition to finding an acceptable new arrangement, they would also need assurance that the constitutional changes that were negotiated would continue to be honored in the future.

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### **5. From Empire to Independence: A Narrative of the Crisis**

Relations between Britain and the colonies did not decline steadily during the period from the end of the Seven Years' War to the Declaration of Independence. Instead, relations ebbed and flowed along with cycles of policy initiative and retrenchment. Each cycle began when the British adopted a new colonial policy, and peaked with unfavorable response in the colonies. This in turn led to agitation in Britain for harsher policies against the colonies, and resulting escalation of attempts to enforce by the British. Each cycle, and the resulting agitation for broader reforms, ended on both sides of the Atlantic when the British repealed the offending acts. The whole process would start again with some new British policy initiative. This history is so well known that we only sketch the highlights below.

As mentioned above, the immediate problem facing the British after the war was how to run their new Empire. Their victory raised several new strategic considerations. The first was the threat of rebellion in the newly acquired territories; the loyalty of the French subjects was not altogether clear. The second was the increased worry about increased conflict with Indians under the pressure of increased westward movement of colonists. Finally, the continued presence of the French in the Caribbean was widely seen as a threat to unprotected colonies.

In response to these concerns, the government proposed to station a permanent garrison in the colonies. Paying for this garrison was complicated by the new fiscal reality created by the Seven Years' War. The war had increased the burdens on the British public. During the war, British debt doubled from 70 to 130 million pounds, while the budget increased tenfold, from 14 to 145 million pounds. Under these conditions, it seemed clear that the colonies would have to pay for more of their defense.

To raise money from the colonies, Parliament passed the Sugar Act in April, 1764. This Act was intended "to raise a revenue in America for the defraying the expenses of defending, protecting and securing the same" (Greene, 19). To accomplish this goal, the act reduced the duty on molasses, but required that the duty actually be collected. To ensure that the duty be collected, the provided that violators would no longer be tried by local courts. Instead, violators would be tried in a special admiralty court in Halifax, Nova Scotia.

The colonists opposed the Act, but not simply because they did not want to pay for the for troops. Indeed, Massachusetts went so far as to petition to be allowed to have its legislature raise taxes to pay England. Rather, the colonists opposed the Act on the ground that it was unconstitutional for the British Parliament to impose a tax on the colonies.

In addition to imposing a tax on Sugar, the Act also notified the colonies that Parliament intended to pass a Stamp Act, which would require that all sorts of goods could be sold only if they had a revenue stamp attached.

The Stamp Act was strenuously debated in Parliament. Defenders argued that that the colonists were "children planted by our Arms," and asked if they would "grudge to contribute their mite to relieve

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us from the heavy weight of that burden we lie under?" (Morgan and Morgan, 1995, 69) Opponents argued that the Act would not be easily enforced. For instance, General Gage, who had been Commander of British forces in the colonies, claimed that "Unless the Act from its own nature enforces itself, nothing but a considerable military force can do it" (Tuchman, 158). Others warned that this course of action would be expensive, since the Americans "are a people jealous of their liberties and who will vindicate them if ever they should be violated" but the Subject is too delicate, and I will say no more" (Tuchman, 152).

The colonies sent petitions to Parliament opposing the Act. However, the House refused to accept on the ground that they were about revenue bills, on which members could not be lobbied until after passage. Afterwards, the colonists mounted a propaganda campaign, and organized a boycott. Called the non-importation movement, the boycott cost the British a substantial amount of lost business—imports fell by 300k out of 2 million.

Perhaps more importantly, the colonists laid the foundation for their later opposition to imperial policies. In opposing the Act, the colonists argued not against its wisdom, but against its constitutionality. Invoking a variety of precedents and constitutional theories, they argued that the Act represented an innovation in the distribution of power within the Empire, an innovation that would only hurt them later on. In particular, they insisted that while the British could regulate the Empire, they could not tax the colonists, since the colonists were not represented in Parliament.

The boycott was effective enough to force the British to rethink their policy. Many in Britain opposed any concessions, fearing that to do so would show weakness, and thus encourage the colonists. Thus, Lord North, a member of the Cabinet, claimed that repealing the acts would mean that Britain was to "be conquered in America and become a Province to her own colonies" (Tuchman, 163). Even those who wanted to change policy worried that doing so would imply that they were conceding to the colonists' claims about the structure of the imperial constitution.

In the end, the British repealed the Act. When they did so, they simultaneously passed the Declaratory Act. Patterned after a similar Act passed for Ireland, it asserted that Parliament was unlimited and unlimitable, and thus had acted within its constitutional power when it passed the Stamp Act (Greene, 85). In so doing, it did not establish rights or powers, but simply declared what they already were.

Later that year, Parliament returned to the issue of paying for troops by passing the Quartering Act, which provided conditions under which colonial assemblies would have to provide for British troops. When the New York Assembly refused to vote the money, Parliament passed the New York Suspending Act. This Act rendered all acts of the Assembly void until it voted out funds for troops. This suspension led to another round of colonial protests.

In January of 1767, Townsend introduced a budget that continued the high tax on land in England. In response to complaints, he offered to lower the tax, saying it could be lowered if Parliament didn't have to pay for the administration of the colonies. To make up for the lower taxes, Townsend

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proposed a series of tariffs on the colonies, including one on tea. After the Act passed in May, the Massachusetts Assembly sent around a circular asking other colonies to resist. The Secretary in charge of America sent the Massachusetts Assembly a letter threatening to dissolve them if they continued to resist. In response, those Colonial assemblies that had refused to join Massachusetts did so after British response.

The resulting unrest and agitation in Boston led General Gage to call for ships and troops. This in turn led the colonists to start a new boycott of British goods. Started in late summer, it spread throughout the colonies, and continued into the next year. As a result, trade with England fell off by a third, and the British collected only about a tenth of the cost of quartering troops in the colonies. The Act was repealed in May, 1770. To avoid confirming the colonists' claims, Parliament did not repeal the preamble, which asserted its power to impose taxes and duties on tea.

The next major policy initiative came in 1773, with the passage of the Tea Act. Designed to help the East India Company, the Act lowered the duty on tea, while also increasing the penalties for smuggling. Once again, the colonial reaction was to protest the constitutionality of the Act. This protest culminated in the Boston Tea Party, during which the colonists destroyed tea in order to preserve constitutional claims. Once again, the British reacted to this resistance by stepping up their enforcement with passage of the Coercive or Punitive/Intolerable Acts (Greene, 23). The first bill closed Boston until it paid for tea and until duties were collected. Some opponents noted that this could have bad consequences: "the effect of the present bill must be productive of a general confederation, to resist the powers of this country" (Former gov of Florida, quoted in Tuchman, 197).

When this Act failed to produce colonial compliance, Parliament passed three more acts. The first, annulled the charter of the Massachusetts colony. The second, the Administration of Justice Act, provided that colonial officials would be tried outside of the colony. The third, the Quartering Act, allowed the imperial officials to seize property to support troops if the colonial assembly didn't allocate the necessary funds.

The Quebec Act expanded Canada south into the territory claimed by colonies. In the hope of reducing tension in Quebec, it aimed to placate the Québécois by guaranteeing them their traditional legal system and religion. Because these came after various attempts to bolster Anglicanism in the colonies, the treatment of Quebec puzzled the colonists. Why, would the British support religious freedom for Catholics, but not for their fellow Protestants, unless they were hoping to enslave the colonies? (Greene, 209).

In response to these moves, people throughout the colonies called for the committees on Correspondence to meet and decide on a unified reaction. The advocates included Jefferson who argued that the British acts, "pursued unalterably through every change of ministers, too plainly prove a deliberate and systematical plan of reducing us to slavery" (A Summary View of the Rights of the British Americas, Greene, 231). The English critics charged just the opposite, that, because policy was inconsistent, incoherent and poorly thought out, it served no purpose but to make the American mad.

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At the Congress, the American adopted a variety of resolutions. First, they called for non-importation, and promised, that if that failed, they would go to non-intercourse. They also declared that, while they were subject to the crown, they were not subject to Parliament. However, they resisted calls for independence, which John Adams called "a hobgoblin of such frightful mien that it would throw a delicate person into fits to look it in the face" (Tuchman, 201).

When Parliament convened in 1775, Pitt called for withdrawal and presented bills to that effect. However, he was in the minority, and lost. Instead, Parliament passed bills declaring New England to be in rebellion and providing more troops. Finally, in April, 1775, General Gage went to Lexington to seize a cache of arms. After the resulting battle, war broke out. In August the King issued Proclamation for Suppressing Rebellion and Sedition, while Congress offered the Olive Branch Petition (Greene, 259). The latter was rejected, as was the British peace mission, sent in 1778 to offer all of the terms that Americans had demanded earlier, except independence.

#### **6. Interpretation, revolution and equilibrium**

Taken in isolation, it is hard to see how these events led the colonists to independence. The puzzle deepens when one realizes that the revolution occurred despite recognition (and articulation) of the disparity between the benefits of the particular policies and the costs of American independence. As Edmund Burke pointed out, "The retention of the colonies was worth far more to the mother country economically, politically and even morally than any sum which might be raised by taxation, or even than any principle so called of the constitution" (Tuchman, 128). However, when considered in light of our theory, the progression is easier to understand.

#### **The crisis from the colonial perspective**

The first feature of the narrative to notice is that the radical's arguments allowed them to "raise the stakes." While most Americans agreed that the British policies were not good, few initially saw the policies as dangerous. In other words,  $\pi$  was very small and certainly less than  $\pi^*$ . From the beginning, however, radicals argued that the British behavior constituted tyranny, and thus that the world as they knew it was at stake.

In making this argument, the radicals implied that the stakes were higher than most colonists realized. Indeed, some of them warned explicitly about the dangers of failing to see clearly the nature of the British threat. For example, in one of the earliest colonial pamphlets, John Dickinson argued that the British had set the burdens low, so as to entice Americans into accepting the taxes, thus establishing "precedent for future use." According to him, to focus on the size of the taxes was to "walk deliberately into the snare set for us, praising the neatness of the workmanship" (Dickinson, 43).

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The result was to tie together all the American interests, regardless of their values and immediate circumstances. For example, the arguments about liberty tie together the fate of merchants and religious communities. Thus, even though the religious groups were only hurt indirectly by the various tax acts, they were threatened directly by the various British moves against colonial legislatures. After all, these were the same bodies that they depended on to protect their religious freedom.

Our theory suggests why the radicals would work so hard to raise the stakes. First and most transparently, their appeal to the constitution was designed to tie British actions harming a narrow commercial constituency to the larger colonial population. It was one thing for the British to impose taxes on merchants; it was another for them to open the door to tyranny. Second, and less obviously, according to our theory, raising the stakes lowered the critical probability that the average or pivotal colonist would switch to support the radicals in their fight against the British.

Our theory also explains the genius of the ideas expounded by the radicals: by focusing on the constitution, the radicals connected the realm of ideas to the realm of action. The radicals provided a comprehensive account of the post-Seven Years' War British Empire. That account articulated a theory connecting liberty, governance, and constitutions. It did so in the context of the earlier practices of the empire. By appealing to those practices, the radicals did not simply gain authority for their views of the constitution. They also established a constitutional baseline against which the new policies could be judged.

This baseline in turn helped them to explain what the British were up to. In the beginning, the radical ideas about the British did not conform to the experiences of the average colonists; given the prosperity of the colonies under imperial rule, it was hard to credit claims of British tyranny. But, as the British continued to claim control, their actions were harder to square either with their past behavior, or with colonial reactions. Thus, over time the radicals appeared to be the only group who could explain the British actions. By postulating a British plan to systematically change the constitution at the expense of the colonies, the radical theory made sense of a wide range of British actions. In other words, the British actions served to confirm the radicals' claims.

This process of confirmation is consistent with our earlier Bayesian analysis of the relation of ideas and actions. Specifically, British actions raise  $\pi$ , the probability that the radicals are correct.

For many moderates, the first important piece of confirming evidence came from the Declaratory Act. Passed along with the repeal of the Stamp Act, the Declaratory Act announced that Parliament had the power to tax the colonies. This Act was hard to explain under the theory that the Stamp Act was, as the British claimed, simply a revenue measure that was consistent with earlier imperial governance. Why, if it was about revenue, was there a need to declare powers? And why, if those powers were well known, was there any need to declare that Parliament had them? This declaration was especially troubling because it put the American colonies on par with Ireland, a territory that even the Americans believed had no rights, since it had been acquired by conquest.

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Over time, this sort of reasoning gradually led more and more Americans to conclude that the radicals were right about other Acts as well. For example, the various acts suspending the colonial assemblies provided direct evidence of British intentions. Their willingness to suspend the assemblies, and to eventually back the suspensions up with the force arms, demonstrated the lack of credibility of their commitment to colonial legislatures. In doing so, they struck at the institution that everyone, not just the radicals, believed was at the heart of American liberty.

The British provided further confirmation by imposing punishments that were incommensurate with the American actions. Of course, from the British perspective, such reactions made sense. Their goal was to isolate the radicals by hitting them hard and thus disrupting the basis for their support. The British believed that any other reaction would show weakness, thus strengthening the colonial drive for independence. Ironically, given the American beliefs, this strategy simply played into the radicals' hands by confirming their claims.

In each of these cases, the logic of Bayesian updating would lead more people to side with the radicals by raising  $\pi$ . The uncertainty in the colonies implies that the British may be tyrannous (probability  $\pi$ ) or they may be benign but acting hastily (probably  $1 - \pi$ ). If the British were benign but acting hastily, then they might hastily suspend a colonial legislature; but they might not. If, however, the British were tyrannous, then they would suspend the legislature with probability one. Bayes's rule implies that, given these beliefs, the observation that the British suspend the legislature increases  $\pi$ . As the number of confirming instances increased, it became harder and harder for the colonists to resist raising the probability that the British were tyrannical.

In the beginning, the radical arguments were not persuasive. They had two arguments to overcome. First, that the British were innocuous and that surely this controversy would be settled in a reasonable manner. Second, as Reid (1977,489) suggests: In answer to the charge that Parliament could and was acting arbitrarily, threatening American liberties:

American Tories and British officials stationed in the colonies had a second answer, one more difficult for Whigs to deal with: No matter how arbitrary Parliament might be, the Whig substitute would be worse. Parliament might not be restrained by enforceable legal principles, but it was limited by tradition, history, custom, precedent, and centuries of evolving practice and experience. [489]

Both arguments lost appeal over time as the British failed to offer a credible compromise and as the British actions increasingly threatened all Americans.

This pattern helps to explain why colonists viewed the British as threatening: their actions were destroying the credibility of their commitment to American rights.

As Rakove (1979) argues, the moderates eventually came to agree with the radicals, implying that  $\pi > \pi^*$ . But they were not happy with this outcome. Indeed, as Rakove shows, the moderates were still

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hoping that the British would offer an acceptable compromise as late as early 1776. Offering a credible compromise to the colonies would have taken the wind out the radicals' sails. But the British did not offer any such compromise. Their failure to do so simply provided further evidence that the radicals were right. If the British were benevolent, surely they would have offered a credible compromise.

To quote Wood (1969,40) [add qt, bot 41, top 42, about "growing beliefs"]:

The cumulative momentum of this belief in a British ministerial conspiracy against the colonists' liberties not only was symptomatic of the rising intensity of the Americans' revolutionary fervor, but it also formed for the Americans . . . the only frame of mind which they could justify and explain their revolution. [40]

Liberty is what ties everyone together. Not only as an ideal: a theory linking the realm of action to the realm of everyday life, via the theory of credible commitments. Unanimity is forced out of the British threat and the absence of a British compromise.

### **The crisis from the British perspective**

At the same time that British actions were leading many American moderates to conclude that the radicals were right, that the British were plotting against the colonies, a similar process was at work in Britain. It was, however, leading the imperialists to exactly the opposite conclusion. The British knew that, contrary to the claims of the colonial radicals, they were not proposing to tyrannize the colonies. Rather, they were trying to preserve the Empire by reversing trends that had been at work for the past several decades. They also knew that the policies they proposed were constitutional. Thus, they faced the exact opposite problem as the colonists: how to make sense of colonial actions. For them, as for the Americans, the strongest evidence in favor of the extremists' claims about colonial desires was the behavior of the colonists themselves. Unless the extremists were right, and the colonies did want independence, it was hard to make sense of what they were doing and saying.

As noted above, some of the British had been worried that the colonies were seeking independence since before the Seven Years' War. In the late 1740s, officials at the Board of Trade began a campaign to reform imperial administration. They were motivated by a variety of factors. Most obviously, they recognized that imperial authority in the colonies had weakened. They believed that much of the blame lay in the structures of administration, which were cumbersome and unwieldy. To fix these problems, they proposed a series of reforms, most of them specific to each colony. These reforms mostly failed, leading them to conclude that the situation required even more extreme measures.

The Seven Years' War simply heightened British concerns about the future of the Empire. Whatever the reality, the reports from military leaders in the colonies suggested that the colonies were not contributing their share, and that they actively ignored imperial authority. Moreover, many recognized that removing the French threat lowered the cost to the colonies of leaving the Empire.

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It was against this background the British began to make policy in the post war period. From their earlier experience, many of them were convinced that the Empire had problems and that those problems could be fixed only by reforming the structure of imperial governance. Ad hoc, colonial by colonial solutions of the sort that had been tried earlier clearly had not worked.

From this perspective, the colonial rhetoric served to confirm the claims of those (initially few) extremists, who claimed that the colonies were plotting for independence. When the colonists resisted the Stamp Act, and argued that it was unconstitutional, their claims were inconsistent with what the British knew of their intentions and of their constitution. Thus, the colonial claims needed to be interpreted.

The inconsistency of the American views was only heightened by the continued refining of the colonial position. The more the colonists argued their position, the harder it became for the British to make sense of what they were up to. Eventually, American actions proved that, as the more extreme elements had argued, they really wanted independence.

#### **Answer to our puzzles**

Our theory about ideas and about credible commitment connects the realm of ideas to the realm of interests and action. The Americans articulated a rich normative theory about the ideal society, as historians have long recognized. Beyond that, however, their theories also explained aspects of their world: what had preserved liberty and order in the old empire; why the British ideas and actions deeply threatened American liberty and order; and how their constitutional ideals implied political institutions that could credibly protect liberty in an independent America. In our view, ideals and interests are two different aspects of the same phenomenon.

**Answer to Puzzle 1:** How do we explain the evolution of ideas from disparate and difference in 1763 to a dominant set of ideas? The Revolutionaries' ideas encompassed a theory about how life, liberty, and the pursuit of happiness in everyday America were preserved under the governance structure of the empire prior to 1763. They then demonstrated how the British actions following the Seven Years' War threatening these ideals. The second piece of puzzle one is that British actions in response to the colonial action confirmed this point of view. The notion that the trifling stamp tax was about all of colonial liberty seemed an exaggeration to most colonists in 1764. The notion took on real significance and credibility, however, after the British began suspending the colonial assemblies. The revolutionaries' ideas explained the British behavior, while the prevailing idea that the British were well-intentioned could not.

**Answer to puzzle 2:** Why did differences after 1763 become large enough to lead to revolution while differences before 1763 had not? Our answer is twofold. First, the Seven Years' War vastly changed the interests of both parties. With the fall of the French threat, the Americans no longer need the British umbrella for survival. Similarly, the new and much larger empire implied that the value of the original American colonies to the British declined. Both made parties less likely to accommodate one

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another than before 1763.

Second, the stakes were much larger after 1763. Due to economic growth, the Americans now had much more at stake than they had had earlier.

**Answer to puzzle 3:** How did the realm of ideas relate to the realm of action and interest? As we have explained above, ideas and interests were complimentary factors. The ideals would not have had such a strong appeal had they not directly related to the everyday lives of most Americans.

Our theory suggests the specific link between the revolutionary ideas related and American interests. Their theories of the constitution, sovereignty, and the empire simultaneously explained how liberty was preserved under the status quo and why the British actions after 1763 were so threatening. As British actions increasingly appeared to threaten American liberty, the importance of mechanisms providing credible protection for liberty loomed larger. The British threatened the basis of political order and freedom in America, and most Americans were sure to react strongly.

As to the NEH claims that the stakes were small: it is clear that the NEH view of the stakes misses the main source of threat articulated by the revolutions. The stakes about threats to American freedom, as preserved by the colonial legislatures, dwarfed those involved in the realm of trade regulations. The NEH have studied the tail, not the dog. Following modern historians, we argue that colonists used British actions on trade regulations to suggest how British behavior threatened far more important realms. [Explain where the NEH went wrong: neoclassical economics takes property rights, freedom, and liberty as given; yet the whole controversy, in our account, was about preserving these rights.]

**Answer to puzzle 4:** Why were differences before 1763 resolved peacefully while those after 1763 led to violent revolution? In our view, two factors help explain why revolution occurred only after 1763: the stakes were far higher than before and the British didn't seem inclined to resolve these problems. Our perspective implies that, had the British offered a credible compromise [given something to moderate American] this controversy could have been settled. But they did not.

An obvious weakness of our approach is that we offer no theory of why the British acted as they did. Our only defense is that this failure is not unique to us. Most historians also fail to explain why the British persisted on their course. This lacuna nonetheless implies that a fundamental aspect of the American Revolution remains unaccounted for.

## **7. Conclusions: Ideas, interests, and credible commitment in the American Revolution**

The American Revolution, along with the Founding and the Civil War, remains one of the canonical events in American history. As a result, we are still interested in such questions as: Why did it happen? Was it inevitable? Or was it the result of design? If so, by who and to what end? By colonial elites seeking to combine home rule with rule at home? By English ministers seeking to extend their corruption of the English constitution into the New World? Or was this simply an unhappy accident, resulting from a disjunction of constitutional views that had gone unnoticed until they diverged so far as to render reconciliation impossible?

As we have noted throughout the paper, the consensus among historians is that the revolution was about ideas, not interests. Our account suggests that this conclusion builds on a false distinction. Instead of substitutes, we argue that ideas and interests are complements. In particular, we reject the simple equation of interests and actions. Instead, we argue that strategic actors who care about the future will take account the future consequences of their decisions. And because constitutions tie today's actions to tomorrow's payoffs, they will pay a great deal of attention to the constitution.

Because our colonists are worried about the links between constitutions and interests, their interests in the constitution will reflect more than their preferences over abstract ideals. They will also be most interested in the credibility of the commitments to ideals. After all, ideals that will not be enforced can not protect anyone in a world of self-interest. Thus, it comes as no surprise that much of the colonial rhetoric centered on credible commitments.

Through out the paper, we have suggested that the genius of the radicals lay in their ability to craft a rhetoric that was politically successful. Certainly, this was a formidable accomplishment. However, at the same time, the theory that they developed gave them deep insights into the nature of political processes. Indeed, as our account suggests, modern scholars have only recently developed the tools that allow them to appreciate the insights of the revolutionaries.

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**Ideas, Interests, and Credible Commitments in the American Revolution**

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