

# Government by Consensus: Voting Rules and Social Choice

## Economics 383I, Binghamton University, Fall 2009

### Instructor:

M. Garrett Roth

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Office Hour: Tuesday, 1:15 – 2:15 (preliminary), Location TBD

**Lecture Schedule:** TR 11:40 – 1:05 PM, Science 2, Room 143

**Prerequisite:** Grade of C or better in ECON 160.

### Required Texts:

- 1) Buchanan and Tullock. The Calculus of Consent. University of Michigan Press. 1962. -- Available FREE online:  
<http://www.econlib.org/library/Buchanan/buchCv3Cover.html>
- 2) Saari, Donald. Decisions and Elections: Explaining the Unexpected. Cambridge University Press, 2001.

\*\*Additional brief readings will be made available via blackboard or a course webpage.\*\*

### Description:

The purpose of this course is to provide an overview of collective decision-making through the lens of economics and political science. We begin with simple efficiency considerations in both exchange and production economies. Such raw efficiency concerns can be balanced with equity considerations via the use of social welfare functions. A multiplicity of criticisms regarding the social welfare approach necessitates the alternative, democratic method of voting.

When considering the democratic process, we start with broad questions of the appropriate scope and methodology for public decision making as addressed by Buchanan and Tullock in The Calculus of Consent. Their basic cost-benefit approach generates a framework by which to analyze questions of logrolling, coalition formation, and legislative make-up. As counterpoint to Buchanan and Tullock, we briefly discuss anarchist critiques of the Public Choice approach to government.

Shifting from broad constitutional questions to the specific rules governing elections, the course summarizes and attempts to resolve the fundamental paradox of social choice, Arrow's Impossibility Theorem, through the vehicle of democratic mechanisms. Concurrently, the material delineates and critiques major voting rules currently in existence. Time-permitting, we will move from the rule-based structures for public consensus to spatial voting models. Beginning with Downs, we will dissect the various sets of assumptions that generate meaningful theoretical results within the literature.

### Components of Final Grade:

Quizzes (2) – 15% each, given approximately  $\frac{1}{4}$  and  $\frac{3}{4}$  through the semester

Midterm Exam – 35%

Final Exam – 35%

\*\*I will assign a series of weekly homework assignments, graded for completion rather than correctness, which are designed to keep students from falling behind in the course material and adequately prepared upcoming exams.\*\*

Exams will be composed of both computational, quantitative questions **and qualitative, interpretive questions.**

### A brief note of caution:

Those who are not comfortable reading and writing about philosophical and abstract political concepts in English may find this course highly demanding. **Please consider your own English abilities** before committing to the course.

## Major Course Topics:

- 1) Efficiency in an Exchange Economy
- 2) Efficiency in a Production Economy
- 3) Equity Considerations via Social Welfare Functions
- 4) Critiques of the Social Welfare Approach
- 5) Buchanan and Tullock: Basic Assumptions and Framework
- 6) Buchanan and Tullock: Results and Applications
- 7) Anarchist Alternatives to Coercion
- 8) Saari's Treatment of Arrow's Impossibility Theorem
- 9) Resolving the Arrow Impossibility Theorem
- 10) Spatial Voting Models: Downsian Assumptions and Result
- 11) Successors and Rivals to Downs: Wittman and Stokes

\*\*The previous list of topics is subject to be shortened or amended as time permits.\*\*

## Academic Dishonesty:

"All members of the university community have the responsibility to maintain and foster a condition and an atmosphere of academic integrity. Specifically, this requires that all classroom, laboratory, and written work for which a person claims credit is in fact that person's own work." The annual university Student Handbook publication has detailed information on academic integrity.

Binghamton University has obtained a license with Turnitin.com to facilitate faculty review for potential plagiarism of papers and projects in their courses, which they are encouraged to do.

"Students assume responsibility of the content and integrity of the academic work they submit. Students are in violation of academic honesty if they incorporate into their written or oral reports any unacknowledged published or unpublished or oral material from the work of another (plagiarism); or if they use, request, or give unauthorized assistance in any academic work (cheating)." (CCPA Academic Honesty Policies)

Neither plagiarism nor cheating will be tolerated in this class. Incidents of either will result in a failing grade for the assignment in question, which will most likely have a negative effect on the final grade. If you have any questions about what constitutes plagiarism or cheating, PLEASE ASK ME!

<http://ccpa.binghamton.edu/students/currentstudents/academichonesty.htm>

## ECONOMICS DEPARTMENT POLICY REGARDING MAKE-UP FINAL EXAMS

**ALL** make-up final exams in Economics will be given **Friday, December 18 from 8:00 to 10:00 AM**. All officially scheduled final exams are linked from the [BU Brain](#) - check **NOW** for conflicts. If a conflict exists you may request a make-up exam from the instructor of **ANY** of the conflicting courses. If you choose to request a make-up exam for an economics course, a sign-up list to request the make-up exam will be available in class after the add/drop deadline - ask the instructor. Students **MUST** make their request for a make-up exam in economics **NO LATER THAN FRIDAY, October 9**.

It is **the student's responsibility** to learn from the instructor if the request has been approved. Only students who are approved may take a make-up final exam. Students who have not requested a make-up exam in an economics course by **October 9** will be required to resolve conflicting exams with the instructor in one of their other courses.

Make-up exams are approved **ONLY** for the following conditions:

- Conflicts with the **OFFICIAL** final exam schedule (e.g. exams at the same time or more than two exams within 24 hours).
- **DOCUMENTED** personal illness or family emergency.