Public-choice theory offers two main classes of findings. First, aggregation from individual to collective preferences may not be well defined. Even though every individual may have a clear preference ranking of all alternatives before us, we may not be able to convert these individual rankings into a collective ranking. Second, individual motives for action may not fit collective preferences for outcomes even when the latter are well defined. We may all agree, for example, that we would all be better off if we would all pay extra for better pollution control equipment on our cars, but no individual has an interest in making the extra expenditure. Not only are we damned if we don’t agree on what to do, we may also be damned if we do.

The first class of findings casts doubt on the conceptual coherence of majoritarian democracy. The second class has commonly been thought to yield a consensual justification for the coercive power of the state if, of course, the state is democratic. Just because our individual motivations work against our collective interests, we should choose to coerce ourselves to act in our collective interests. This consensual argument for coercion is, however, as logically flawed as the notion of majoritarian democracy. All that we may rightly conclude from the misfit of individual and collective interests is that we would benefit from having some central determination of our actions. We cannot conclude which of several possible determinations we should make.

The disconcerting implication of public-choice theory is that majoritarian democracy is both conceptually and motivationally flawed. Perhaps the actual practice of democracy may sensibly be viewed as a compromise to live within the constraints of these perverse conclusions. That practice is not an altogether happy compromise because it is not particularly majoritarian.
After a brief historical account of the recognition of the discoveries of public-choice theory, I address their bearing on democratic theory and practice. I then examine one possible empirical escape from the negative implications by way of the communitarian claim that we do not face the assumptions or conclusions of the theory's account of democracy. Finally, I consider an alternative solution to the difficulties of democratic theory, namely, that institutional devices can achieve what democratic choice may not. Throughout, my concern is majoritarian democracy, that is, procedures based on majority rule. This is the form in which we face the following problems because we have come to accept merely majority rule rather than to require broad consensus to make democracy workable. In modern political thought, the core of the notion of democracy is its etymological core—rule by the people—which translates most naturally as majority rule if there are divisions of opinion.

1. Two problems

Public-choice theory's first class of results is associated with Condorcet's problem of cyclic majorities and Kenneth Arrow's General Possibility Theorem, which is more aptly known as Arrow's Impossibility Theorem.¹ According to this theorem, there is no general rule for aggregating a social choice from individual preferences that can meet certain apparently acceptable criteria. This theorem is essentially normative and conceptual. It says that collective preference cannot be defined as a logical analog of individual preference as that is commonly understood in economics. I will refer to this as the problem of social choice or, in its specific variants, as Condorcet's or Arrow's problem.

The second class of results is associated with Anthony Downs's analysis of voting, Mancur Olson's account of the logic of collective action, and the game theorist's Prisoner's Dilemma.² I will refer to this as the collective action or prisoner's dilemma problem. It is essentially an explanatory problem of motivation. It arises in contexts in which a common goal can be achieved only through individual contributions of effort or resources. For example, we may reduce pollution if each of us contributes by driving more expensively equipped cars. It may be in my interest not to cooperate in achieving our common purpose if I can get away with it even though it is in my interest for all of us to cooperate. How then do we get ourselves to cooperate? If we face no contrary sanction or inducement, we may all choose not to cooperate and so fail to achieve our goal.

Both of these problems are relevant to the general issues of organizing political societies. And they are a perverse and demoralizing pair. Arrow's theorem says we cannot generally stipulate a rule for accept-

ably aggregating to a collective preference from individual preferences. The conclusion of the standard prisoner's dilemma analysis is that, even where we find an acceptable rule for aggregating, we may still have motivational difficulties in implementing the collective preference.

The two problems are not only a perverse but a natural pair. Arrow's theorem is strictly about what state of affairs we want to attain. It does not deal with how to get there once we know what we want. Arrow never reaches the motivational concerns of how to implement a collective or aggregate preference once it is defined. In a sense, he needs to reach such concerns for the simple reason that he shows we cannot in general define a determinate aggregate preference merely as a function of individual preferences. His proof involves logical assumptions that are far more complete in their possibilities than our real world may be. Although no general aggregation rule would fit all possible worlds, there might be one that fits ours. In that case, we would want to know how to implement our collective preference. The logic of collective action says that, for an important class of seemingly quite consensus issues, implementation may be fouled by narrow self-interest. Arrow's theorem is not concerned with how to enforce a collective preference. The usual prisoner's dilemma analysis and Olson's theory are fundamentally about enforcement.

2. Historical background

Public-choice theory is an extension of neoclassical economics in that it is based, both normatively and explanatorily, on the assumptions of individual choice or preference. In early efforts to understand productivity, these assumptions worked wonders by replacing notions of intrinsic value with an understanding of relations of supply and demand. When the simple theory of incentives was systematically applied to economic life, the results were generally counterintuitive and sanguine.

The main result was expressed in Mandeville's law that private vices beget public virtues. Or, more explicitly, narrowly self-interested behavior in production and exchange leads to collective benefits in the form of a general increase in wealth. According to a contemporary variant on Mandeville, greed makes America strong and prosperous.

Not everything can be handled by incentives for personal benefit in free exchange. Public-choice theory arose mainly to deal with what remains for the public to do, to deal with what cannot be or is not done through the market.³ This residual is large and important. Hence, the problem of public choice is also large and important, as is the scope of government. The results of economic analysis of this residual are often counterintuitive but not at all sanguine.
The problem of gaining compliance with government policies has been recognized in political philosophy from Plato forward. It is, of course, central for Hobbes. With slightly tendentious or generous reading one can presume that many have seen the logic of collective action or the prisoner’s dilemma. For example, Glaucous (in Plato’s Republic) and Hobbes think social order depends on threatening individuals to get them not to transgress against others. This sanctioning is mutually beneficial if it means that virtually none of us transgresses or can transgress. Ideally, for any one of us, it might be best if all others are intimidated into orderliness while we free ride on the general order and the wealth that it generates.

Most of the earlier treatments of motivating beneficial collective action focused on the negative issue that provoked Glaucous and Hobbes: to prevent harm by securing mutual abstinence. The more modern focus, exemplified by Hume and Rousseau, has been on the possibility of securing cooperation for creative purposes. This may owe some inspiration to economic thought, culminating in Adam Smith, and some to the development of contract law and doctrine, both of which treat cooperation and exchange as productive. In this sanguine variant of government’s intervention to resolve a collective action problem, we might agree on mutual coercion to get all to contribute to a state of affairs that we all prefer to the status quo. Alas, although we might successfully use the state to prod us into mutually beneficial collective action, we might not agree on what collective actions to prod ourselves into.

The other class of issues in public-choice theory, the impossibility of finding a rule for aggregating diverse preferences into a single collective preference, has been noticed in limited ways in many contexts. Its general importance has only recently been widely recognized. The special problem is that, when we face a choice among three or more mutually exclusive policies, we may form a majority in favor of policy A over B, another majority for B over C, and yet another majority for C over A. No policy is preferred by majorities over all others. Condorcet saw cyclic majorities as an aspect of complex choices. C. L. Dodgson (Lewis Carroll), with his wonderful sense of the perversities of daily life, saw it in elections at his Christ Church College. Generalization of the problem and appreciation of its potentially pervasive importance begins with the work of Duncan Black and Kenneth Arrow. Black saw the problem as inherent in committee choice and Arrow proved quite generally that there can be no acceptable universal rule to convert any collection of individual preferences into a collective preference ordering.

On his own account of his theorem, Arrow writes that he hit upon the general impossibility in the course of trying to show how individual preference orderings could be aggregated into a national ordering so that, in the analysis of international relations, one could treat nations as though they were individuals with standard game-theoretic utility functions. In essence, Arrow was asking whether a state can be conceived as a unitary actor with its preferences derived in an acceptable way from those of its citizens. His answer was “no.”

The history of our two issues has some irony. The first clear recognition of the trouble with aggregating individual into collective preferences came from Condorcet soon after sanguine views of the creative possibilities of the state in such thinkers as Hume and Smith and of Rousseau’s vision of a general will. As though in proof of the implications of his discovery, Condorcet died in the sanguinary aftermath of the French Revolution.

3. Social-choice problems

Although Condorcet’s cyclic majorities are commonly associated with Arrow’s theorem, as though the latter were merely a generalization of the former, the two are in fact quite different problems. The possibility of cyclic majorities arises when we vote on a specific issue that has three or more resolutions. This is a kind of choice that we may often face in political life at any level on which we decide by majority vote. Indeed, we can face this quandary no matter what our majority must be. For example, if we need a super-majority of 99 percent in favor to select a winner, we can have a cyclic majority with a hundred voters and a hundred possible positions on our issue.

Arrow’s theorem is far more general in a powerful way that makes it unrealistic in direct application to our daily lives. Arrow supposes that we face a choice over whole states of affairs that are fully determined in every way that matters to us. We do not merely choose a president or decide on a law. We choose a total world in which everything is settled: all presidents, all laws. Once we have made this single social choice, nothing remains for us to choose collectively. Arrow was forced to conceive of the matter in this way because he wished to assume nothing more than purely ordinal preferences on the part of all individuals and in our final collective choice.

Why does this ambition push us into considering choices over whole states of affairs, states that are fully determined? Take any ordinary claim that I prefer A to not-A. There are few, if any, As of which we can believe that anyone would prefer A to not-A no matter what. In principle,
we can almost always conceive a package, say of \( A + B \), such that I would prefer (not-\( A \) + not-\( B \)) to (\( A + B \)). If so, then it is not true that I prefer \( A \) to not-\( A \) tout court. Hence, in principle I cannot make ordinal choices over mere aspects of my state of affairs. I can make ordinal choices only over whole states of affairs.\(^9\)

A certain lunacy lurks in thinking of our social-choice problem as a once-and-for-all choice over whole states of affairs. But for the moment, the only escape from that lunacy seems to be an alternative that almost all social theorists reject outright or one that any democratic theorist must reject. One alternative that might be compelling if it were conceptually sensible is to suppose we can make cardinal, interpersonally comparable evaluations of aspects of states of affairs. Then we could make a social choice by simply adding the evaluations of each of us together for all possible choices and selecting the choice that produces the largest sum. Of course, to say that I can make a cardinal evaluation of a particular aspect of my state of affairs is to assert that my evaluation of that aspect is not affected by other aspects. But that violates the principle stated above. This alternative is not cogent.

Another alternative is to suppose that we, or I, or someone simply knows a principle by which to evaluate aspects of our state of affairs that is not directly derivative from the preferences or interests of all of us. Candidate principles include various religious dogmas, naturalistic claims from what happens to be the apparent preference in a given community, and various intuited principles that one or another theorist approves. With the possible exception of the communitarian alternative, none of these is consistent with democratic principles. I will therefore not consider noncommunitarian principles further. I will leave the communitarian alternative for later.

In his theorem, Arrow supposes that our choice rule must meet several apparently appealing conditions. If our concern with the theorem is its relevance to our understanding of the possibilities of democracy, two assumptions in the theorem are in clear tension. First, our choice rule must be general in the very strong sense that it must apply successfully to any set of individual preferences. For example, it must be able to handle even a case in which the set of individual preferences is a cyclic majority. This is the condition of universal domain, or \( U \). Second, the rule must be subject to the following Pareto principle: if no one prefers state of affairs \( x \) to state \( y \) and at least one of us prefers \( y \) to \( x \), then the social choice must rank \( y \) above \( x \). In particular, of course, if all of us prefer \( y \) to \( x \), then our social choice must rank \( y \) above \( x \). Suppose all of us prefer \( y \) to every other state of affairs. Then, as is true of any specific set of preferences, our set of individual preferences clearly violates condition \( U \). But it does so in such a way that our society may have no difficulty at all in making a social choice that no one could object to on democratic principles.

Hence, Arrow's Impossibility Theorem does not rule out the possibility that we could reach a democratic social choice. It merely rules out the logical possibility that every society, no matter how lacking in agreement, can follow one single aggregation rule for the social ordering of all its alternative whole states of affairs. This is a logically strong conclusion, but it may fail to be empirically relevant. In this respect, it is like the Condorcet analysis of cyclic majorities: that analysis can be troubling, but it may not always be, because sometimes we may not have cyclic majority preferences.

What are we finally to make of Arrow's Impossibility Theorem? It is mitigated by other impossibilities. We cannot even get to Arrow's problem in general because we cannot know enough to give rank orderings over all whole states of affairs. The individual preference information that must be fed into an Arrovian social-choice mechanism or procedure is impossible. We might even suppose that the description of whole states of affairs in the real world, in which there are births and deaths that continually change the society of those choosing, makes little sense. And we may realistically suppose of many aspects of our social order that all or almost all prefer \( A \) to not-\( A \) in any plausible circumstances. And we typically need to make only a first choice without concern for the further ranking of all other alternatives. For these reasons, and perhaps others, we might actively prefer, and think it better, to make our social choices piecemeal. At most we decide a few things at one time and then decide other things later. And at that later time we might reconsider some of what seemingly has already been decided.

Unfortunately, this pragmatic response to Arrow's Impossibility Theorem is only a negative, not a positive, answer. It does not suggest how we may normatively determine what would be a best or a most democratic procedure for deciding what to decide now and what later, what to reconsider and what to leave decided, whom to include in the decision procedure and whom to leave out. Arrow's initial concern was to find a social-choice procedure that would meet a particular kind of normative justification, namely that the procedure was a rule for aggregating to a social choice from nothing but individual preferences subject to several constraints that, prima facie, seemed likely to be generally acceptable. His discovery is that there can be no such rule. We may rightly claim that his conditions and the general form of what he counted as a social choice (a complete ordering over all states of affairs) are
unrealistic and therefore not compelling for our actual social choices. But we cannot thereby normatively rescue any social choice rule or mechanism. We need positive arguments in defense of a particular rule.

We have positive arguments for many social-choice procedures, but none is as tight and complete as the considerations Arrow raises. And no social-choice procedure seems fully acceptable even for a particular one of many contemporary complex national societies. Indeed, most social choice procedures that are analyzed by philosophers and others are not even sufficiently well defined for us to know how they work or whether they would work in plausible circumstances. We know that some societies seem to struggle through from one social choice to another. But success seems to turn on nondemocratic, coercive, and deceptive moves too much of the time for us to feel normatively at ease with it. Not only may minorities get trampled, but so may majorities. Within a democratic shell even the seemingly most democratic of modern governments may often be undemocratic.

Hence, although the conditions and form of Arrow's theorem are not ideally suitable for evaluation of social-choice procedures and possibilities, we must still be troubled by the negative implications of that theorem. More realistic assumptions will not block the conclusion that public-choice procedures are normatively incoherent if they are to translate individual into collective choices, as majoritarian democracy is supposed to do.

4. Collective-action problems

If many of us would benefit from completion of a project that no one of us could afford to undertake alone, we may confront the perversities of the logic of collective action. If we depend on voluntary contributions to our collective interest in this project, I may wish to take a free ride on the efforts of others. My own contribution, whether an equal share or otherwise, might benefit me less than it would cost me, even though, if all of us contribute, all of us benefit more than our own contributions. Alas, we may all try to free ride and may therefore all fail to benefit from the project.

One resolution of this problem is to vote to have our government force us to contribute, usually through taxes. As Hume stated,

Political society easily remedies [such] inconveniences. Magistrates find an immediate interest in the interest of any considerable part of their subjects. They need consult no body but themselves to form any scheme for the promoting of that interest... Thus bridges are built; harbours open'd; ramparts rais'd; canals form'd; fleets equip'd; and armies disciplin'd; every where, by the
care of government, ... one of the finest and most subtle inventions imaginable.¹⁰

Hume's is a lovely vision. Once we have government, we can resolve our collective-action problems. Moreover, we can move from this vision to a justification for coercion, in the collection of taxes and other ways, to provide collective benefits. Mild coercion might well be sanctioned by our own democratic preferences. Is this conclusion compelling? Unfortunately, it is far too quick. It faces at least two obstacles. First, few instances of collective provision are likely to be uniquely preferred, so that we may wonder about the justice of coercing those whose preferences are overridden. Second, despite the fineness and subtlety of the invention of government for the provision of collective benefits, our control of government is subject to problems of the logic of collective action even when there is strong popular agreement on particular collective provisions.

With reference to the first obstacle, suppose we have before us two mutually exclusive collective provisions. They could be mutually exclusive for various reasons. For example, either of them may be in essence an opportunity cost of the other. When provision q has been arranged, the additional marginal benefits of providing p may no longer outweigh p's costs. We may collectively benefit from dredging a harbor somewhere, but if we dredge the one in your community, dredging the one in mine will no longer be an attractive option. Or one collective provision may logically preclude another, as one system of property rights, s, might preclude another, t, or as the constitutional arrangements that promote the interests of Federalists might undermine those of Anti-federalists.

Unfortunately for Hume, some of us may strongly prefer p and t to q and s and may consider ourselves losers when q and s are provided. Government may indeed overcome a collective-action problem, but it may overcome the wrong one for many of us. Is it now justified in its coercion of those of us who lost? Perhaps, but it is not justified by a simple claim that we mutually benefit, because we could also have mutually benefited from the alternative resolutions.¹¹ We can often get a utilitarian justification for sticking to a policy choice once it has been in place awhile.¹² But we cannot always get a prior democratic or consensual justification for the choice when it is made from a menu of variously preferred alternatives.

As to the second obstacle, recall Downs's analysis of voting in major elections. His most widely cited proposition is that two-party elections tend to produce candidates whose positions mirror those of the median
voter. It may be stodgy to say so, but that would not be a bad or undemocratic result. The more discouraging result of Downs's analysis is the analog of the logic of collective action that is faced by ordinary citizens. Most of us much of the time, perhaps most of the time, cannot justify any special effort to understand the value of electing one candidate rather than another. Egregious failure of leadership on a major policy issue may lead to rejection at re-election time, as Herbert Hoover learned in 1932, because it will take us no effort to relate failure to the candidate. But most voters cannot be expected to know enough to cast votes in ways that would properly constrain most elected officials. To some extent this is merely a reflection of the difficulty of making good causal predictions no matter how well informed one might be. For example, many Americans who voted for peace in 1964 got Lyndon Johnson's Vietnam War; many who voted for a balanced budget in 1980 got Ronald Reagan's record deficits. But many voters would misstate even the clearly predictable policies of their candidates.

We have a tremendous body of empirical work on what voters know and what motivates their choices in elections. Some of that work is reassuring for our concern with democratic control of government. But some is demoralizing. Early views that voters are virtually stupid have given way over the past couple of decades to more complex views that voters, in deciding on candidates, do what sensible people do when making any decisions that affect their interests: given the costs of acquiring information, they take short cuts and use proxy measures of many things. Even on the most favorable accounts of voter sophistication and the quality of voter decisions, however, one cannot make strong claims that the outcome of democratic voting procedures is a coherent mapping of citizen preferences onto policies. This conclusion is not theoretically surprising because, in at least broad outline, it seems clearly to follow from the Downsian analysis of the incentives voters face.

5. The communitarian alternative

Consider a political community in which Arrow's condition of universal domain is violated by widespread agreement on major issues. By Arrow's general principles, we may suppose the community can succeed in following the simple choice procedure of majority rule. We can do so because we will typically have overwhelming majorities in favor of one choice over any other that we may face. Suppose also that we do not face perverse interactive effects. If we think we prefer A to not-A and B to not-B, then we will not find ourselves also preferring (not-A + not-B) to (A + B). Hence, we can make our social choices piecemeal without needing to make a single choice over all possible whole states of affairs, and we can make them consensually.

Under these suppositions it would seem that we escape at least the conceptual flaws of democracy. Wouldn't majoritarian democracy therefore work perfectly well for us? Surely the answer could be yes. With such agreement on our major political issues, we should even be able to overcome some of the motivational problem of the logic of collective action by creating political devices for the mild coercion necessary to get us to abide by our collective decisions. Recent communitarian moral and political theory seems to be based on these assumptions and, hence, to meet the objections of public-choice theory. I think this conclusion is correct as a matter of pure possibility. This is to say that, by sufficiently balking the implications of Arrow's condition of universal domain and by not falling to the inherent logic of the interaction of the value of every aspect of our state of affairs with the value of every other aspect, we may be fortunate enough to make majority rule at least conceptually coherent. Moreover, it seems plausible that societies have existed in which these problems of public-choice theory have not dominated social choice. For example, many small societies studied by anthropologists may meet these conditions.

It is hard to read the communitarian literature without thinking that much more is being assumed than merely the possibility of such a factual state of consensus. In particular, many communitarians seem to be driven by a more profound and determinate notion of the sources of consensus. The presumed fact of consensus is put as a constitutive point: individuals in a society get their values from the society. Unfortunately, despite a "common" source for our values in a given society, general consensus on major issues does not follow, as must be obvious for anyone living in a modern society. Alasdair MacIntyre seems to take conflict over values in our society as a criticism of the society, although he rather perversely supposes that the Athens that has given us a rich record of deep and occasionally violent conflict over values was exempt from this criticism. Irrespective of whether our dissensus is ground for moral criticism, it is ground for doubting the conceptual coherence of democracy in our condition. The communitarian alternative is not one we can simply adopt. We either do or do not find ourselves in it. If we had found ourselves in communitarian consensus, neither public choice theory nor much of historical political theory might ever have arisen. Jane Mansbridge notes that in "the early seventeenth century, both citizens and their representatives believed that a nation-state could make most decisions on the basis of a common good." That belief has since been so
thoroughly shattered that, she says, "majority rule, once an incomplete substitute for full consensus, is now almost synonymous with democracy itself." It seems likely that it is not our era but rather the era of belief in a common good that is the odd exception in the long history of the effort to understand politics. In any sense that would serve the analyses of the communitarians, we are not a community.

6. The compromises of democracy

There is a third, emerging body of work in public choice in addition to work on the problems of social choice and collective action. This attends to the way institutions work. It is almost exclusively positive rather than normative. But it may have normative implications. Its central problem is how things manage to get publicly decided and implemented despite the impossibilities of Arrow and Condorcet and the motivational conundrums of Downs and Olson. For example, how does a legislative body such as Congress regularly succeed in adopting policies by apparently majority votes despite the supposed frequency of Condorcet cycles? Institutional public choice theorists argue that it may do so through the use of devices that mask cyclic majorities or that give some person or some group authority or power to force majority votes.

Well-recognized antimajoritarian devices include deference to the status quo and giving some person or group power to manipulate the order of voting on issues. Votes in legislative bodies may be restricted to simple yes or no votes on particular issues, so that each measure is compared to the status quo rather than to alternative measures. If there is a cyclic majority over two alternatives and the status quo, the cycle can only show up in a future year when a measure that lost to the status quo this year defeats one that has since become the new status quo. In the meantime, we seem to be quite decisive. Alas, any historical bias in who benefits from the status quo may be further maintained by this device for handling cyclic majorities.\footnote{We can break the status quo by giving decisive control over legislative voting to specific individuals or groups to contrive determinate outcomes. In the United States Congress, small committees often have extraordinary control over the content of legislation. Almost no congressional committee bill could be safe from amendments that would make it inferior to the status quo in the view of the committee members. Committees get the last word when legislation goes to conference committee to work out House and Senate differences. In conference, committee members have an ex post veto that guarantees that they do no worse than the status quo.\footnote{Committee control of legislation introduces strong bias if special interests tend to dominate committees that oversee their issues, as they commonly do. Hence, instead of a bias for the status quo, we have biased change. Moreover, this device may not only overcome the status quo domination of cyclic majorities, it may also overcome clear majority preferences that are not cyclic.}}

The bent here is not unlike part of the bent in the communitarian literature. It simply asserts facts of the matter that run against the demands of democratic theory and that allow us to make political choices. Unlike the communitarians, however, institutional public-choice theorists seek to show how we make choices in nonmajoritarian, even antimajoritarian ways. This is not a happy ploy for the democratic theorist. Recognition of the problems of public choice theory, however, should alert us to look for points in the system at which nonmajoritarian resolutions may be inherently biased. We may sometimes suppose such resolutions are unobjectionable, but we cannot easily reach this conclusion from merely democratic principles.

If there is a first constitutional lesson to be drawn from public choice theory, it is that there is no universally workable way for aggregating individual interests, preferences, or values into collective decisions. A positive implication of this finding is that no government of a complex society is likely to be coherently democratic. If we wish to explain political outcomes in such a society, we will require more than merely a rule for converting individual into collective views.

A normative implication of this lesson is that political theory cannot be grounded exclusively in democratic procedural values. If we wish to justify particular practices for adopting and implementing policies, we must have recourse to extra-democratic values. For example, we often call on such values as the protection of individuals in various respects and on such utilitarian values as the value of stable expectations or the value of making decisive choices so that we may get on with life. Or we call on psychological values not directly related to particular outcomes, such as the sense of satisfaction citizens may get from apparently fair procedures. Even though we might discover general consensus on any of these values in the abstract, they would not evoke general consensus in application in particular policy choices when, for example, we still must choose one or another policy before getting on with life.

We finally still face something vaguely like Arrow's problem. The terms and conditions of Arrow's theorem may not seem properly to fit the problems of political choice in actual societies. But they clearly challenge any effort to reach a sound conception of majoritarian democracy, without which we may not be able to make normative assessments of democratic procedures and institutions, and without which we
have no coherent argument for justifying our social order in democratic terms. Moreover, in the face of the motivational problems of the logic of collective action we cannot give democratic justification of state coercion in our common political enterprise.

Where does public-choice theory leave us? Against the trend of results in the early incentive analysis of markets and production, it leaves us understanding less than what we might earlier have thought we knew. It does so by clarifying issues to reveal their apparent intractability. In the end, lack of agreement is the modal problem of democracies. Because of it we must have some kind of aggregation principle. But, after four decades of public choice theory, we have little ground to expect to justify any particular principle. Indeed, the more we understand the nature of the task, the more we seem to find it incoherent.

This is not to say that the democratic, majoritarian urge is wrong. At base it seems to have genuine appeal, both moral and practical. But it is nevertheless conceptually incoherent and, when defined in simple terms, practically infeasible. The application of economic reasoning and the assumption of self-interested economic motivation has done wonders for explicating many aspects of production and the wealth of nations. But, in keeping with the seemingly destructive tenor of findings in many areas of inquiry in this century, their recent application to democratic theory has largely helped to expose flaws—grievous foundational flaws—in democratic thought and practice.

Against the conceptual and motivational flaws of majoritarian democracy, one might argue, as Churchill did, that democracy is the worst form of government, except for all the other forms. This cannot be a comfortable a priori claim, however, if the very notion of majority rule is conceptually incoherent. If government is inherently non-majoritarian, how are we to assess the degree to which it is democratic? If Churchill’s judgment is merely an empirical assertion about the good that various forms of government do for us, it is clouded by still other conceptual problems. We might easily judge some actual governments worse than others and even some general forms of government worse than certain others. But we cannot easily present coherent principles to ground our judgments and our vision.

Notes


3 Geoffrey Brennan and James M. Buchanan write that, before the rise of public choice theory, economists ignored the difficulties of institutional implementation of policies and were satisfied merely to determine what was, in the abstract, the normatively best policy (The Reason of Rules: Constitutional Political Economy [Cambridge: Cambridge University Press, 1985], 83).

4 Hobbes was also concerned with the origins of the state—a debate, indeed, one may say this is the principal focus of his Leviathan. This problem is often related in contemporary writing to the prisoner’s dilemma. I think this analogy is mistaken, that the rational creation of a state is more nearly a problem of coordination. For example, on Hobbes’s account the state arises by coordination on a particular ruler.

5 Even before Hobbes, this was a sometime focus, as in Robert Bellarmine, De Laisis (New York: Fordham University Press, 1928, trans. Kathleen E. Murphy; Latin original from 1586–1593), 48.

6 For an account of Condorcet and Dodgson, see Duncan Black, The Theory of Committees and Elections, 2d ed. (Cambridge: Cambridge University Press, 1963), 156–238. Pliny the Younger saw a hint of the difficulties of social choice when there are more than two possible choices in a vote of the Roman Senate over three possible verdicts for freedmen accused of murdering their master. The freedmen could be acquitted and released, convicted and banished, or convicted and executed. Social-choice theorists might readily suppose that the result would be the median of these positions, or conviction and banishment. Pliny’s discussion of the case is reprinted in Robin Farquharson, Theory of Voting (New Haven: Yale University Press, 1969), 57–60; see also William H. Riker, The Art of Political Manipulation (New Haven: Yale University Press, 1986), 78–88.


8 Smith is commonly supposed to represent the view that the state is destructive in its interventions, as when it grants monopolies and other favors that stand in the way of greater productivity. Those hostile to the growth of the state in our time have successfully captured Smith as their predecessor. But it was also Smith’s view that the state can work miracles of collective action that are beyond the reach of individuals. Proponents of many state initiatives can therefore persuasively claim support from his writings.

9 See further, Russell Hardin, “Rational Choice Theories,” Idioms of Inquiry:


15 Despite the status quo rule, we might see cyclic majorities working their way through the legislative amendment process. The late Senator James B. Allen of Alabama was reputedly able to use cyclic majorities to wreck many legislative measures that seemed otherwise sure to defeat the status quo. Through his sophisticated reading of fellow senators he contrived amendments, each of which was favored by a majority, to produce a newly amended bill that would be voted down, leaving the status quo intact.

16 For an example of such an effort, see Kenneth A. Shepsle and Barry R. Weingast, “Institutional Foundations of Committee Power,” American Political Science Review 81 (March 1987): 85–104. Shepsle and Weingast explain how committees in the House of Representatives succeed in controlling the content of their bills against amendments on the floor of the House. This is hardly a democratic result, but it may be quite stabilizing.