

Buchanan

- **Down with welfare economics. Efficiency is not unique. E_1 Vs. E_2**
 - Because it is untested? or has a frame?
- **Problem of order is central.**
- **Politics is not a process of fact finding, but rather of conflict resolution.**
- **Distinguish choice of constitutional constraints Vs. choice within a constraint.**

Buchanan (cont.)

- Focus on process rather than outcomes.
 - Does he forget his own distinction between choice of constraints and choice within a constraint?
- Can he escape Arrow's "Impossibility?"
- He advocates right to secede.

People can't be morally required to remain if IUG

e.g. Southern slave owners in US

- A & B are in same community.
- 1. Right to secede. Equivalent to factor ownership by A.
- 2. Secession prohibited.
- 1. Likeminded A's secede from community when some law is not liked.
 - Create externality for B's.
- 2. Reverse of above. B's preferences count, and the slaves?

Buchanan's behavioral theory

- **Brain is unified; behavior is same regardless of context.**
 - People are not a different species in the voting booth.
 - How then get judges who are not on the take?
- C.f. Allais, Elster on multiple self.

Would we all agree behind the veil of ignorance?

- Can we avoid argument about outcomes? Avoid power questions?
- "Value liberty above all else."
 - Whose?

Rules for Making Rules
Which is best?

- Degree of unanimity.
 - Decision cost Vs. political externality.
- Boundary and national, state, local.
 - Michigan legislature 2/3 vote to override local government.
- Type of ballot (straight ticket)
- Agenda paradox.
- Bullet voting

"MASS BALLOT"

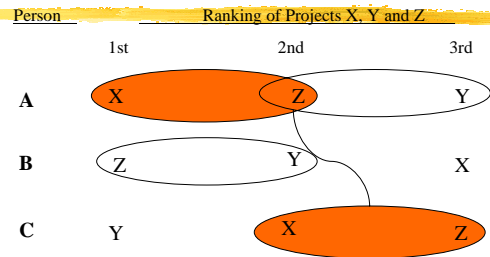
INDIANA BALLOT

Place X here for straight ticket

President
 Bush (R)
 Gore (D)
 Debs (SW)
Governor
Dog Catcher
 Wolf (R)
 Schmo (D)
 Trotsky (SW)

O O
 Republican Democrat
President
 Bush Gore
Governor
Dog Catcher
 Wolf Schmo

CONTROL OF AGENDA AFFECTS CONTENT OF WINNING COALITION



If agenda forces choice between Y and Z, Person A and B form coalition for Z.

If agenda forces choice between X and Z, Person A and C form coalition for X.

What is best (cont.)?

- **State primaries on same or different days.**
- **Cumulative Voting**
- **Irish place order voting.**
- **Elected or appointed officials.**
- **Agency Vs. referenda.**

Elected or Appointed?

■ Situation	Structure	Performance
■ Model 1		
■ Judge dec.	1. Elect	1. Favor A
■ IUG	2. Appoint	2. Favor B
■ Model 2		
■ IUG	1. Advertize	1. Favor A
■ HIC	2. Prohibit adv.	2. Favor B

"End of the God Trick?"

- **Sandmo objects to Buchanan--**
- **"the alternative of defining efficiency in terms of any result of voluntary transactions relative to the institutional structure seems to me a much less powerful and precise tool for analyzing market outcomes." 59**
- **Can moral choice be avoided?**