

Hauptseminar/V-Seminar WiSe 2019/20

Democratic Decisions: Economic and Philosophic Perspectives on Collective Choice

LECTURERS

Dr. Dominik Klein

Prof. Dr. Stefan Napel

OBJECTIVE

How can rational individuals get to a rational collective choice if their preferences or information differ? To what extent does the adopted decision procedure matter? Can the procedure matter more than the preferences or information that feed into it? Are there philosophical grounds to prefer some choice rules over others? Practical and theoretical questions like these will be covered in this interdisciplinary block seminar. A mix of philosophical discussion, mathematical analysis and empirical case studies aims to improve participants' understanding of positive and normative problems of democratic decisions.

TARGET GROUP

Advanced Bachelor's students from:

- Philosophy & Economics
- Economics
- Internationale Wirtschaft & Entwicklung

SEMINAR PLACES

- 15

LANGUAGE OF INSTRUCTION/ASSESSMENT

- Seminar: English
- Written work: English

DATES AND DEADLINES

- Introduction and Organization Session: **July 24th, 2019, 11:00c.t., H27 (GW II)**
- Registration: **October 1st, 2019, at the latest.** Early registrations are possible after July's Introduction and Organization Session. Places and topics will be allocated on a **first-come-first-served** basis.
- Seminar: **November 15th to 17th, 2019.**
- Submission of seminar papers: **March 31th, 2020.**

Deadlines are final and will be strictly enforced.

ASSESSMENT

Philosophy & Economics

- BA V3 or V4 seminar 6cp: presentation, comment, participation + 4000-5000 word seminar paper.
- BA P3* seminar 2cp: presentation, comment, participation
- BA V or P3 seminar 2 cp (alte Studienordnung): presentation, comment, participation
- BA V seminar 8 cp: same as 2 cp + 5000-6000 word seminar paper
- BA P3 seminar 6 cp: same as 2 cp + 4000-5000 word seminar paper.

Economics, IWE

- BSc Hauptseminar 5 cp: presentation, comment, participation, 3500–4500 word seminar paper. Credits in Individueller Schwerpunkt or as GVWL II 5/6 (old PO); credits as Theoretisches Seminar / Seminar zu Institutionen und Governance in Spezialisierung (new PO).

ENROLMENT/REGISTRATION:

Enrollment on the e-learning platform will open after the preparatory meeting on July 24th. The course can be found in the Philosophy I section. First check there which topics are marked as assigned already. Then send an *e-mail to both of us* in which you name one or more of the topics that have not yet been assigned to any other participant. Please double-check with us in case you don't hear back within 7 days of sending your mail.

SEMINAR INSTRUCTIONS

1. Time allowed: presentation of 45 min., comment of 5 min, discussion of 30 mins.
2. Presentations should be a concise and systematic overview of the topic in the form of a "teaching lecture".
3. Each presentation will be assigned to one other participant, who is to comment on / initiate the discussion of the contents of the presentation. Presenters are required to send their presentations to both instructors and the respective commenters *at least seven days* before the seminar session.
4. The literature given below is a *starting point* for your lecture. You are typically expected to find additional material yourself.
5. The order of presentations need not correspond to the numbering of topics found below. All participants shall be ready to give their presentation on the first seminar day.

SEMINAR PAPERS

Your *seminar paper* should be on a well-defined issue related to your presentation topic. *Start in time* so that you can meet the deadline despite exams, internships or further seminar commitments!

Please make sure when writing your paper that you maintain scholarly standards of presentation and citation. For guidance, please consult any of the research papers that can be found on either of our web sites. We recommend that you use the author-date (Harvard) referencing system.

THEMES

T1. Philosophical Foundations and Implications of Collective Choice.

Why Democracy

Mill, J.S. (1861), *Considerations on Representative Government*. Chapters I-VIII http://oll.libertyfund.org/index.php?option=com_staticxt&staticfile=show.php%3Ftitle=234&Itemid=28

The Political and Economic Significance of Voting Procedures

Mill, J.S. (1861), *Considerations on Representative Government*. Chapters IX-XII http://oll.libertyfund.org/index.php?option=com_staticxt&staticfile=show.php%3Ftitle=234&Itemid=28

The Goal of Democracy: Correctness vs. Representation

List, C. and R.E. Goodin (2001), Epistemic democracy: Generalizing the Condorcet Jury Theorem, *Journal of Political Philosophy* 9, 277-306.

Democracy and the Common Will

Riker, W. (1982), *Liberalism Against Populism: A Confrontation Between the Theory of Democracy and the Theory of Social Choice*, W.H. Freeman Press, ch. 5.

T2. Aggregation of Preferences.

Simple Majority Rule I: May's Theorem

May, K. (1952), A Set of Independent, Necessary and Sufficient Conditions for Simple Majority Decision, *Econometrica* 20: 680-684.

Simple Majority Rule II: Rae-Taylor Theorem

Rae, D.W. (1969), Decision-Rules and Individual Values in Constitutional Choice, *American Political Science Review* 63: 40-56.

Taylor, M.J. (1969), Proof of a Theorem on Majority Rule, *Behavioral Science* 14: 228-231.

Supermajority Rules

Buchanan, J.M. and Tullock, G. (1962), *The Calculus of Consent*, University of Michigan Press.

Scoring Rules

Myerson, R. B. (1995), Axiomatic Derivation of Scoring Rules without the Ordering Assumption, *Social Choice and Welfare* 12: 59-74.

Young, H.P. (1974), An axiomatization of Borda's rule, *Journal of Economic Theory* 9: 43-52.

Arrow's Impossibility Theorem

Gaertner, W. (2006), *A Primer in Social Choice Theory*, Oxford University Press.

Reny, P.J. (2001), Arrow's Theorem and the Gibbard-Satterthwaite Theorem: a Unified Approach, *Economics Letters* 70: 99-105.

Possibility Results

Black, D. (1948), On the Rationale of Group Decision-making, *Journal of Political Economy* 56: 23-34.

Gaertner, W. (2006), *A Primer in Social Choice Theory*, Oxford University Press.

Gibbard-Satterthwaite Theorem

Gaertner, W. (2006), *A Primer in Social Choice Theory*, Oxford University Press.

Reny, P.J. (2001), Arrow's Theorem and the Gibbard-Satterthwaite Theorem: a Unified Approach, *Economics Letters* 70: 99-105.

T3. Aggregation of Beliefs.

Condorcet Jury Theorem and Optimal Voting Rules for Two Alternatives

Nitzan, S., and J. Paroush (1982), Optimal Decision Rules in Uncertain Dichotomous Situations, *International Economic Review* 23: 289-97.

Optimal Voting Rules for Three or More Alternatives

Young, H.P. (1995), Optimal Voting Rules, *Journal of Economic Perspectives* 9: 51-64.

Impossibility of Judgment Aggregation

Dietrich, F. (2006), Judgment Aggregation: (Im)possibility Theorems, *Journal of Economic Theory* 126: 286-298.

List, C. and P. Pettit (2002), Aggregating Sets of Judgments: An Impossibility Result, *Economics and Philosophy* 18: 89-110.

Consensus and Communication

Wagner, C. (1978), Consensus through Respect: a Model of Rational Group Decision-making, *Philosophical Studies* 34: 335-349.

Strategic Challenges to the Condorcet Jury Theorem

Feddersen, T. and W. Pesendorfer (1998), Convicting the Innocent: the Inferiority of Unanimous Jury Verdicts under Strategic Voting, *American Political Science Review* 92: 23-35.

T4. Comparing Properties of Voting Procedures.

Paradoxes I: Incompatibility and Monotonicity Paradoxes

Felsenthal, D. S. and H. Nurmi (2017). *Monotonicity Failures Afflicting Procedures for Electing a Single Candidate*, Springer.

Moulin, H. (1988), Condorcet's Principle Implies the No Show Paradox, *Journal of Economic Theory* 45: 53-64.

Paradoxes II: Choice Set Variance and Representation Paradoxes

Nurmi, H. (1998), Voting Paradoxes and Referenda, *Social Choice and Welfare* 15: 333-350.

Nurmi, H. (1999), *Voting Paradoxes and How to Deal with Them*, Springer.

Is There a Best Voting Procedure?

Laslier, J.F. (2012), And the Loser is ... Plurality Voting. In: Felsenthal, D.S. and Machover, M. (eds.), *Electoral Systems – Paradoxes, Assumptions, and Procedures*, pp. 327-251, Springer.

T5. Collective Choice in Practice.

Does the Voting Procedure Matter?

Felsenthal, D. S., Z. Maoz, and A. Rapoport (1993), An Empirical Evaluation of Six Voting Procedures: do they really make any Difference? *British Journal of Political Science* 23: 1-17.

Agenda-setting: Bonn vs. Berlin

Leininger, W. (1993), The Fatal Vote: Berlin versus Bonn, *Finanzarchiv* 50: 1-20.

Voting and the US Civil War

Tabarrok, A. and L. Spector (1999), Would the Borda Count have Avoided the Civil War? *Journal of Theoretical Politics* 11: 261–288.

Cyclical Preferences in the Romanian 2009 Presidential Election

<http://rangevoting.org/Romania2009.html>

Manipulation and Sophisticated Voting in the US Congress

Enelow, J.M. and D.H. Koehler (1980), The Amendment in Legislative Strategy: Sophisticated Voting in the U.S. Congress, *Journal of Politics* 42: 396–413.