PART VI

Political Economizing

This final section deals with matters that lie along the borders of economics, an area that the late Lionel Robbins, an eminent economist, once said is the happy hunting ground of quacks and charlatans.

The first essay crosses the border to borrow from welfare economics an analytical framework within which to criticize the public library and to make suggestions for its improvement. Welfare economics assumes, rather arbitrarily, that the individual is better off when he gets what he wants, whatever that may be. By this standard an ideal market will produce an optimal allocation of goods and services. In the absence of any market, or if there are serious imperfections in the operation of a market, government intervention (or private philanthropy) is necessary if the consumer is to get even approximately what he wants. On this rationale, ought libraries to be supported by the taxpayer? If they are so supported, what sorts of services should they provide? There are, of course, broadly political reasons why these questions are not raised in a practical way with respect to libraries or other, similarly situated governmental undertakings.

"Economic Analysis of Political Phenomena"[1] *was presented to an interdisciplinary Harvard–M.I.T. faculty seminar in 1967. It proposes lumping some of the subject matter of economics and some of that of political science in one discipline ("aggregation") and some of each in another ("politics"). The subject has also been treated by the economist Ronald Coase. No one will be surprised to learn that the borders of the disciplines remain very much as they were.*

[1]Ronald Coase, "Economics and Contiguous Disciplines," *Journal of Legal Studies* 7 (June 1978): 201–11.

The writing of the final essay was prompted by the publication of books by economists—notably Anthony Downs[2] *and James M. Buchanan and Gordon Tullock*[3]*—which analyzed political phenomena such as parties and voting behavior on the assumption that the citizen, like the consumer, can best be understood as a utility maximizer. The usefulness of this assumption is shown to depend upon whether the goals of the actor (citizen, consumer, etc.) can be measured on some common, objective scale, such as money values. In the spheres of behavior generally thought of as political—and for that matter in much "economic" behavior as well—no such scale exists. One may construct a more realistic account of what it is that the individual is supposed to be maximizing, but this involves an almost complete sacrifice of analytical power.*

In the years that this article lay unpublished in the author's files, economists—most conspicuously Gary Becker of the University of Chicago—and some political scientists have made frequent and extensive use of "the economic approach," often with impressive results. How, one must wonder, is it possible to do what, if the argument of the essay is correct, is impossible?

[2]Anthony Downs, *An Economic Theory of Democracy* (New York: Harper & Row, 1957).

[3]James M. Buchanan and Gordon T. Tullock, *The Calculus of Consent* (Ann Arbor: University of Michigan Press, 1962).