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Essays in Public Choice and Policy Analysis

Edited by

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PREFACE

One of the most promising trends in modern political science is the development of a theory of politics as rational action. Focussing on choice as the central topic of study, rational choice theorists set out to specify what alternative an actor should prefer if he has some given knowledge of the consequences of each alternative and wants to see his preference system as fully realized as possible. But rational choice theory is not confined to the normative sphere of science. It can also be used for explanatory purposes. Then, the alternatives actually chosen are specified and the task is to explain the decisions by finding out what considerations lay behind them.

The starting point for an emerging research program at the Department of Government, Uppsala University, on 'Politics as Rational Action' is to describe the major choices in fifteen different policy areas of Swedish domestic politics and explain why they were made.

First, we will try to analyse the actors' views of available options for action and specify the alternative actually chosen in each issue area. Then, we will make some efforts to find out what considerations motivated the choices. What views of substantive and strategic outcomes were operative in determining the actors' decisions about alternatives? What conceptions of the probabilities of the outcomes were involved and in what order were the outcomes preferred? Substantive considerations have to do with conceivable consequences and implications of the *alternatives per se*, irrespective of who make the decision to realize them, whereas strategic considerations deal with conceivable behavior of other political actors — such as parties, politicians, pressure groups, and voters — and its repercussions upon the calculating actor, should *he* or *any other actor* choose a certain alternative for action. If a political party would adopt one line of action instead of another, this might be thought to diminish its electoral support and weaken internal party cohesion, but increase its possibilities of joining a future government coalition. In other words, the political position of the actor is considered to be influenced by the moves of the other players in the game as a consequence of the actor's own choice of line of action. A strategic calculus of this type may also be termed tactical. Finally, we also ask how various substantive and strategic motivations were combined with decision rules in order to reach the final

choice. In sum, this is what we mean by saying that we are aiming at rationalistic explanations of the policy decisions made by central actors in the Swedish political game.

In the year of 1977 Uppsala University celebrated its 500 years jubilee. The emphasis of this celebration designed by Rector Magnificus Torgny Segerstedt was on a series of international scientific symposia. In that year, our university had as many as six thousand scholars from abroad as its guests. When asked to arrange one of the Quincentenary Symposia, it seemed natural to select a theme in line with the most comprehensive research program at the Department. In our invitation, we stressed that our orientation is empirical and that our main interest is in application of rationalistic theory rather than in pure theory. The confrontation of theory and data – by challenging theory with ‘hard’ data, or by interpreting empirical results in terms of formalized theory – seemed the most fruitful theme for our Jubilee Symposium.

The symposium took place one October week in the recently renovated Skytteanum, a medieval stone house, which since more than 350 years is the home of the professor of government and to-day also functions as the department building.

It is a pleasure for us to make the symposium papers available to a broader public by the publication of this book. Fifteen papers are included in the volume. Thirteen were discussed at the symposium and two have been written later by our participants.

William Riker starts out with a discussion of the perennial problem of political cooperation and trust. Most philosophers and contemporary observers interpret trust as non-rational. Riker cannot accept this ‘easy mysticism’. Having explicated the concept by using the classical Prisoners’ Dilemma situation he argues that trust stems from rational calculation. In the following paper by Michael Taylor we are, however, warned against too much cooperation and organization. We could be too dependent upon the state. Taylor argues: “The state is like an addictive drug: the more of it we have, the more we need it and the more we come to depend on it”. In his paper Anatol Rapoport gives us a useful and witty overview of formal decision theory: decision problems with one actor, with more than one actor acting independently, and more than one actor acting cooperatively. Robert Mokken makes use of a series of Dutch projects in his critique of the prevailing tendency in economic analysis to identify power with market power. Every rational actor, Knut Midgaard argues, who wants to pursue his goals through discussion, has to respect the constitutive rules of political interlocutions. Midgaard suggests that they can be regarded as the rules for strategic games. This set of rules

must be distinguished from those of a creative discussion, which contains no element of strategy at all.

Arrow's Impossibility theorem has great impact on the discussions on rational choice theory. Norman Schofield in his contribution proves an impossibility theorem for continuous preferences on a policy space. The theorem has implications both for pluralistic democratic theory and for economic equilibrium theory. The ability of social actors to influence themselves is the subject of Norbert Müller's paper which is a general treatment of what the author calls the problem of reflexivity. Müller's suggestion is that observers themselves ought to be involved in the context of the cognition process. Barry Holmström's methodological question is a more practical one. To be able to answer the question 'When are decision-makers irrational?' Holmström takes an interest in cases of discrepancies between political objectives and actual choices made by the politicians and discusses possible explanations of such discrepancies. Björn Wittrock argues that the basic difficulty with rationalistic explanations is that the action to be explained must be singled out as a necessary means for the attainment of some specific object of intention. This means emphasizing individual rather than wider classes of action. Advocating parsimonious models and calling our attention to the problem of circularity in rational choice analysis, Gunnar Sjöblom suggests a research program on party strategies, in which the analytical scheme is completed with knowledge of the party's actual aspirations, which are influenced by the party's relative size, relative political position, and type of situation.

Finally, we meet five more empirically oriented papers. Sverker Gustavsson tries in his paper to explain the choice made by the Swedish Parliament in the field of housing and building politics. Energy policy has turned out to be one of the most important subjects of political controversy in Sweden. Especially the role played by the Center Party has been crucial to the political development. Energy policy positions in general and the position of the Center Party in particular is studied by Evert Vedung. Abram De Swaan and Robert Mokken compare two studies of coalition theories tested against data from European cabinet formations. In spite of substantial differences, the studies agree upon the superiority of the so-called minimal range theory and the rejection of the minimum size principle. Working with Danish data Erik Damgaard demonstrates that rational legislators are specialized actors and that they specialize in those fields to which they are professionally affiliated. This behavior, he argues, is not likely to produce overall rational social outcomes. The last paper by Graham T. Allison is a case study of the political process of constructing a new medical school. Allison draws our attention to

'the missing chapter' in policy analysis: the systematic study of obstacles to the implementation of the decisions made by the politicians.

For the Uppsala program this symposium was a useful checkpoint of our original ideas; we still have much ground to cover before we can present our results in a more definitive form. But it seems obvious to us that these symposium papers have an interest that goes far beyond that of our own program. We hope that the readers of this book will share this view.

Finally, we take the opportunity of thanking the associates of the program Barbro Lewin for her assistance in editing this volume, Maivor Sjölund for some proof-reading and Jörgen Wedin for his work with the indices, references and for reading most of the proofs.

Uppsala

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