

# Are Public Choice Scholars Different?

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In his classic text, Dennis Mueller (1989, 1) defines public choice analysis as “the economic study of nonmarket decision making, or simply the application of economics to political science. . . . The basic behavioral postulate of public choice, as for economics, is that man is an egoistic, rational, utility maximizer.” By its very nature, this interdisciplinary field of study was, at its start in the late 1950s and early 1960s, outside the mainstream of both economics and politics. Many economists were, at the time, wary of applying economic models where there were not formal markets and price mechanisms to govern relationships, while political scientists were skeptical of rationality assumptions and formal modeling techniques inherent in economic study. Today, however, economists seem quite comfortable with applying economic models to almost any worldly phenomena, and many introductory economics textbooks include a chapter specifically on public choice issues.

Public choice inroads into the mainstream of political science have been slower. Critics of the public choice paradigm are vocal, attacking its assumptions, its conclusions, and its impact, but are unable to fully account for its influence. Orchard and Stretton (1997), for example, argue that public choice analysis has been ideologically driven and dominated by the libertarian

perspective.<sup>1</sup> They contend that its “assumption of exclusively rational, egoistic, materially acquisitive behaviour is now acknowledged to be unhelpful and to generate inaccurate predictions and false or inadequate explanations of political performance” (423) and that “research has also discredited the main branches of public choice micro-theory” (424). Yet, “despite these troubles, the movement flourishes” (424), perhaps because of the “deregulating, privatizing, tax-hating temper of the times” (425). Cohn (1999) notes that critics refer to rational choice as a “cult.”<sup>2</sup>

At this juncture, it appears fruitful to consider the overall status of public choice analysis in the social sciences. In this note, we seek to discover if public

choice scholars truly differ in their methodological beliefs and conclusions from other economists and political scientists. Have their assumptions and conclusions been rejected or accepted? As a first grasp at tackling this issue, we circulated a survey containing 33 statements<sup>3</sup> regarding various public choice model assumptions or predictions regarding the interplay of politics and economics. The survey was sent to 200 randomly selected members of the American Economic Association (AEA) and 207 randomly selected members of the American Political Science Association (APSA), as well as to almost everyone on the Public Choice Society (PCS) mailing list, which includes 201 economists and 125 political scientists.<sup>4</sup>

**Table 1**  
**Public Choice propositions (% of PCS members who agree)**

A. In a two-candidate election, both candidates will moderate their positions to attract votes. (94.5%)
B. Firms often seek regulation to protect them from new competition. (91.2%)
C. In large-group settings, individuals typically free-ride on others' contributions. (86.8%)
D. National election outcomes are dependent on current economic conditions. (82.4%)
E. Voters vote out of a sense of civic duty. (80.0%)
F. Political rights and civil liberties promote economic growth. (79.8%)
G. Individuals are rational utility-maximizers. (78.0%)
H. When transaction costs are low, the market achieves the efficient allocation of resources regardless of how property rights are assigned. (70.3%)
I. The size of government has grown due to the proliferation of special-interest groups. (67.8%)
J. Bureaucrats are budget-maximizers. (65.9%)
K. Government does more to protect and create monopoly power than it does to prevent it. (63.7%)
L. Voting-with-the-feet migration sorts people into groups with homogeneous tastes. (63.3%)
M. The size of government has grown due to expansion of the franchise. (61.8%)
N. The size of government has grown due to bureaucratic self interest. (61.5%)
O. Simple majority rule prevents effective third-party competition. (61.2%)
P. The size of government has grown due to the failure of government to return to its initial size after a crisis. (59.3%)
Q. Election timing in parliamentary systems is primarily dependent on economic conditions. (58.3%)
R. Voting rules should limit the incentive for strategic voting. (58.0%)
S. The act of voting in general elections is rational. (54.4%)
T. The size of government has grown due to an increase in the size of government desired by voters. (53.8%)
U. Most politicians are solely office-seeking vote maximizers. (51.1%)
V. Most government programs are driven by rent seeking. (50.6%)
W. Individuals often move in response to local government taxes and expenditures. (50.6%)

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**Table 2**  
**Comparison of agreement rates across sample groups**

Proposition	PCS		AEA			APSA		
	N	% agree	N	% agree	difference	N	% agree	difference
A	91	94.5%	68	97.1%	2.6	66	77.3%	-17.2*
B	91	91.2%	69	87.0%	-4.2	65	80.0%	-11.2*
C	91	86.8%	67	82.1%	-4.7	66	74.2%	-12.6*
D	91	82.4%	70	84.3%	1.9	67	68.7%	-13.7*
E	92	80.0%	70	78.6%	-1.4	66	71.2%	-8.8
F	89	79.8%	64	79.7%	-0.1	67	68.7%	-11.1
G	91	78.0%	70	70.0%	-8.0	67	32.8%	-45.2*
H	91	70.3%	63	57.1%	-13.2*	59	22.0%	-48.3*
I	90	67.8%	69	68.1%	0.3	67	62.7%	-5.1
J	91	65.9%	68	63.2%	-2.7	64	57.8%	-8.1
K	91	63.7%	70	45.7%	-18.0*	65	40.0%	-23.7*
L	90	63.3%	65	46.2%	-17.1*	65	43.1%	-20.2*
M	89	61.8%	54	44.4%	-17.4*	66	54.5%	-7.3*
N	91	61.5%	69	69.6%	8.1	66	47.0%	-14.5
O	85	61.2%	56	67.9%	6.7	65	72.3%	11.1
P	91	59.3%	67	52.2%	-7.1	66	51.5%	-7.8
Q	84	58.3%	51	47.1%	-11.2	59	52.5%	-5.8
R	88	58.0%	51	49.0%	-9.0	63	23.8%	-34.2*
S	90	54.4%	68	48.5%	-5.9	66	42.4%	-12.0
T	91	53.8%	69	52.2%	-1.6	67	70.1%	16.3*
U	90	51.1%	69	58.0%	6.9	67	29.9%	-21.2*
V	89	50.6%	64	46.9%	-3.7	46	28.3%	-22.3*
W	89	50.6%	68	38.2%	-12.4	67	19.4%	-31.2*

\*significantly different from PCS percentage agree at the 5% level

Our response rate was highest from members of the AEA, where 36.3% returned completed surveys, very similar to the Alston, Kearn, and Vaughan (1992) survey response rate of 34.4% among economists. The response rate for APSA members was only slightly lower at 33.2%, while the response rate for public choice scholars was modestly lower at 29.6%.

For each statement, respondents were asked how strongly they agreed with the given proposition, on a scale from 1 (strongly disagree) to 5 (strongly agree). Their beliefs may be based on either theoretical grounds or on their reading of the degree of empirical support. We focus here on the 23 propositions that public choice scholars themselves agreed with, where we define "agreement" very broadly to include any case where an absolute majority "agreed" with the proposition by answering with a 4 or 5. Table 1 lists the propositions that meet our criteria for agreement among public choice scholars. Readers who wish to define group agreement using a stricter rule (such as a supermajority) may want to focus on a narrower subset of the presented questions.

We seek to explore if these economic and political propositions, which have been accepted within the public choice

community, have also been accepted across the disciplines by general economists and political scientists, or if the rational/public choice approach remains unique to these particular scholars. Table 2 lists the number of respondents in each group that answered the question, the percentage from each group agreeing with the given proposition, and the difference compared to the responses of PCS members.

Economists generally accept the propositions that public choice scholars accept. Among the economists, support for these 23 propositions is generally a bit lower than among PCS members, but in only six cases does support differ by more than 10 percentage points, and only four propositions (H, K, L, and M) generate statistically significant (lower) differences in the level of agreement. Only two of the propositions that are accepted by a majority of PCS members are accepted by less than 45% of AEA members. The key to this fairly widespread agreement among economists and public choice practitioners may be proposition G: "individuals are rational utility-maximizers." Mueller identified a similarly worded statement as the "basic behavioral postulate of public choice, *as for economics*" (1989, 1: emphasis added) and the survey bears out his

contention: 78% of Public Choice Society members and 70% of economists agree or strongly agree with this statement.<sup>5</sup> Based on Table 2, we conclude that on most public choice issues the other economists generally accept public choice scholars' conclusions.

Although disagreements between public choice scholars and economists are fairly modest, Table 2 shows that the views of public choice scholars and political scientists often differ substantially. Almost half of the propositions that generate majority agreement among PCS members do not yield majority agreement among our sample of APSA members. Fourteen of the 23 propositions receive significantly lower degrees of support among APSA members. For 17 of the 23 propositions, APSA support is more than ten percentage points lower than PCS support; support is more than 20 percentage points lower in eight cases, and more than 40 percentage points lower in two cases. Again, the most telling difference is probably proposition G. While 78% of public choicers agree that "individuals are rational utility-maximizers," only 33% of political scientists agree with this axiom. In fact, a plurality (43%) of political scientists disagree or strongly disagree with this idea (while 24% are

neutral on the issue), which is fundamental to rational choice modeling.

Among the other propositions that are accepted by public choice scholars for which APSA members' support is noticeably weaker (more than twenty percentage points lower) are these: when transaction costs are low, the market achieves the efficient allocation of resources regardless of how property rights are assigned (popularly known as the Coase Theorem) (proposition H);<sup>6</sup> that government does more to protect and create monopoly power than it does to prevent it (proposition K); that voting-with-the-feet migration sorts

people into groups with homogeneous tastes (proposition L); that voting rules should limit the incentive for strategic voting (proposition R); that most politicians are solely office-seeking vote maximizers (proposition U); that most government programs are driven by rent seeking (proposition V); and that individuals often move in response to local government taxes and expenditures (proposition W). Disagreement across the two groups occurs over a wide variety of public choice topics.

To answer the titular question—public choice scholars are not much different than the typical economist, but they are

considerably different than general political scientists. This finding suggests that critics of public choice analysis, such as Orchard and Stretton, are too hasty in concluding that the assumptions and conclusions of public choice analysis have been discredited. Indeed, they are widely accepted by mainstream economists. This also suggests that the movement will continue to flourish among economists because of common reliance on the basic operating assumption of rational utility maximization—the very reason that it will probably continue to have less success among political scientists.

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## Notes

1. On the other hand, Grofman (1995) defends against this charge: "While it is certainly true that almost all of the most famous exponents of rational choice modeling are ideologically conservative, there is nothing inherent in the nature of rational choice modeling that makes it a tool of either the left or the right" (241).

2. Another prominent critique of rational choice is presented by Green and Shapiro (1994). A special double issue of *Critical Review* (volume 9, 1995) was devoted to this topic, with most of the contributors detailing the shortcomings of the Green and Shapiro analysis, followed by a lengthy response from the authors.

3. We thank John Dinan, Keith Dougherty, Don Frey, P. J. Hill, and Andrew Morriss for

commenting on the original wording of our survey.

4. Among AEA members, we sampled only those with a Ph.D., teaching in economics departments in the U.S. Among APSA members we sampled only those with a Ph.D., teaching in departments of political science, politics, or government in the U.S. There is no formal Public Choice association. Rather, anyone who registers for the Public Choice Society conference is included on the mailing list. We thank Carol Roberts for supplying us with the most recent mailing list in 2000. Among PCS members, we define economists as anyone teaching in an economics department, and political scientists as anyone teaching in a politics department, regardless of their degree specialization.

Anyone whose mailing address did not list an economics or politics/political science/government department was not included in the survey.

5. Most of the rest of both PCS members and AEA members are neutral on this proposition, rather than disagreeing with it.

6. A reviewer has suggested that the lack of support for the Coase Theorem implication by APSA members has more to do with a lack of familiarity of the theorem by typical political scientists rather than outright rejection. This interpretation may hold true for some of the other propositions as well. We note that regardless of familiarity with the theorem itself, apparently most APSA members in our sample do not support the statement.

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