

THE CHRONICLE OF HIGHER EDUCATION

Research

October 28, 2013

To Avoid Tyranny of the Majority? Sell Votes, Economist Says

By Christopher Shea

If the dismal spectacle of the government shutdown has created any openness to changing how we elect leaders—and how they make decisions—a young economist at the University of Chicago is ready with a proposal.

The rather extreme notion, floated by E. Glen Weyl and amplified by his Chicago law-school colleague Eric Posner, would scrap one man, one vote in favor of a complex system of vote-purchasing. Yes, vote-purchasing. Under this system, called quadratic voting—which very much bears the market-oriented stamp of University of Chicago-style social science—citizens could cast one or more votes, but each vote would cost them an amount equal to the square of how many they were buying. So, one vote for a candidate would cost \$1, two would cost \$4, four would cost \$16, and so on.

After the votes were tallied, the majority would win and the money would be evenly divided and returned to voters, serving as partial compensation for the people on the losing side.

Paying to vote is a taboo notion, of course: The Harvard political scientist Michael J. Sandel is just one scholar among many who have argued that the ballot booth should be a market-free zone. But Mr. Weyl argues that, once you get past the knee-jerk opposition, his proposal has advantages that might appeal across the political spectrum.

He and Mr. Posner have promoted it in a series of working papers,

articles in academic journals, and in *The New York Times* and (in a piece by Mr. Posner alone) in Slate. They've applied it, with modifications, to votes for candidates, votes within legislatures, and votes by shareholders. Mr. Posner has suggested it could resolve debates over whether New York City should run a bike-share program, and Mr. Weyl has proposed applying it to departmental decisions about faculty hiring.

They've even formed a venture called Collective Decision Engines to build software that would help institutions manage nonpolitical versions of quadratic voting. In the case of departmental hiring, fake money might be distributed that professors could spend on the candidates of their choice, according to the quadratic rule. Such a system would cut through lots of politicking and favor-trading, Mr. Weyl and Mr. Posner say. Likewise, leaders of small companies might distribute money to their employees, to be used to vote on initiatives (espresso machine or gym equipment?) or saved.

Among the problems quadratic voting is meant to resolve is that one man, one vote fails to take account of how strongly people feel about an issue—a problem long recognized by economists. For example, a few voters feel extremely strongly about gay marriage (notably gays and lesbians and a small number of activist traditionalists) while the vast majority leans mildly one way or the other. Quadratic voting would allow the passionate minority to make that passion known at the voting booth.

Back-of-the-envelope math, Mr. Weyl and Mr. Posner argue in a working paper called "Voting Squared," finds that California's anti-gay-marriage Proposition 8, which passed in 2008 by 52 percent to 48 percent, would have failed if quadratic voting had been used. (They assume that the average member of a gay couple would value the right to marry at \$50,000, and the average single gay person would value it at \$20,000, but the numbers are far less important than that they far surpass plausible estimates for most

heterosexuals, whether supporters or opponents.)

Then there's the tyranny-of-the-majority problem. The American political system does have elements designed to prevent abuse of power by the 51 percent, such as judicial review, separation of powers, and supermajority rules. But these can be extremely narrowly tailored—courts will review some political decisions involving African-Americans but not all, for example—and they can cause gridlock, as in the case of the rule that requires 60 senators to assent to end a debate before holding a vote.

Quadratic voting, Mr. Weyl argues, "precisely achieves efficient bargains when there are a large number of conflicting parties involved," something "our political system seems chronically incapable of accomplishing recently."

Inspired in Rio

Mr. Weyl, 28, is something of a prodigy: He effectively completed the requirements for a Ph.D. while an undergraduate at Princeton University. He earned it in 2008, a year after he graduated, largely because of a university rule requiring that graduate students enroll for a year first. He conceived of quadratic voting while on trip to Rio de Janeiro in 2007. He was considering the *favelas*, or slums, that sprawl across highly desirably real estate within the coastal city. How, he wondered, would you decide what proper compensation would be for encouraging impoverished people to move from those areas, improving their material well-being while opening the land to productive development?

"Majority rule wouldn't work at all" as a way of determining a fair deal for such enormous displacement, Mr. Weyl says. You could give 51 percent of the people an attractive incentive "and screw over the rest," who would nonetheless have to leave. As he experimented with adding market elements to the vote, linking intensity of preference to vote pricing in ways that led to efficient outcomes, a regular quadratic pattern emerged in scenario after

scenario.

Only later did he realize that Richard Zeckhauser, a professor of political economy at Harvard University, had co-written an unpublished paper that also hit upon a version of quadratic voting, albeit one that didn't use money or apply to elections. It used "influence points" through which citizens could "buy" votes for a set of public-works projects under consideration, and the cost of additional votes grew in quadratic fashion.

Mr. Posner says that when Mr. Weyl first described the idea to him, at lunch, "it struck me that if he's right about it, then it's relevant to—the solution to—countless legal and public-policy problems I work on." The idea, he thinks, is most useful in cases where minority and majority interests are in tension but there is no clearly just answer, such as affirmative action, or stricter voter-ID laws, or security rules that disproportionately inconvenience one group. Quadratic voting would provide information about how different groups weight different policies that is far better than any survey could, in addition to producing the result with the maximum societal benefit.

At first blush, a world with quadratic voting may sound like a libertarian fantasy, but neither Mr. Weyl nor Mr. Posner is ideologically predictable where markets are concerned. In a 2013 article in the *Northwestern University Law Review*, they proposed creating an agency modeled after the Food and Drug Administration that would approve financial instruments before banks could sell them. The *Bloomberg View* columnist (and former investment banker) William D. Cohan called it "one of the sillier ideas to come down the pike since the onset of the financial crisis five years ago."

Mr. Weyl has consistently argued that much of what Wall Street does represents a squandering of intellect and energy, and he's explored ways of tweaking the tax system to discourage young

people from entering finance. "On and off, I've been accused of being a fascist and a communist, depending on the setting," he says.

Other economists have devised "efficient" alternatives to voting, but many of these tend to be hugely complex, involving bids, calculations of which voters are pivotal, and payments by the winners to the losers.

Impact of Wealth

To the obvious objection that the wealthy get too much say under a votes-for-cash system, Mr. Weyl and Mr. Posner have several responses.

First, the cost of votes rises so fast that the effect of wealth dissipates quickly. (One thousand votes cost \$1-million.) Second, on questions like taxation—you may have to trust them on the math here—the bottom half will tend to protect its social insurance net more avidly than the wealthy will push for a few extra dollars (the marginal value of a dollar is less for a rich person). The impact of wealth would reveal itself most strongly on social issues, but it's far from clear the rich would form a coherent block. Moreover, the postelection refund would blunt the inequality.

Most importantly, the two scholars say, the proposal must be compared not with an ideal of equality, but with our current messy system—"super PACs" and all. There is "no reason to think" that majority rule produces economic equality, Mr. Weyl says; indeed, it's "odd" that we assume that's the case. He even thinks his system would raise the level of political discourse, because political ads today are often aimed at uncommitted, low-information voters; if candidates instead had to persuade people who felt passionately, their ads would be more substantive.

Within legislatures, the system would work differently than in

general elections. It wouldn't make sense for lawmakers to spend their own money. Each lawmaker might get a certain amount of money each term, to be spent either on votes or sent home to the district. Lawmakers would be trading off influence and money for their constituents, but through a market mechanism rather than favor trading: The rationalization of pork!

Alessandra Casella, a professor of economics at Columbia, describes herself as "sympathetic" to the goals of quadratic voting but thinks money introduces incentives that could cause it to unravel: A well-off voter might be tempted to pay uncommitted voters for their (cheap) votes rather than buy (very expensive) additional ones for himself. "When you put money into the equation, I get nervous," she says.

Mr. Weyl and Mr. Posner say they see no reason why wealthy voters would risk the legal penalties for vote buying or why potential cheaters wouldn't be scared off by the fear that the poor would just take the money and not vote.

Ms. Casella's own preference is for "stored votes": In the U.S. Senate, for example, each Senator might get three votes to cast for or against three judicial nominees—but a Senator could save them up and use them against the least liked nominee. The minority would win some fights but couldn't obstruct the system completely.

Although Mr. Weyl and Mr. Posner think quadratic voting would usher in an era of electoral efficiency, they know they have a lot of persuading to do—even at the level of departmental hiring. "At this point we have no plans to introduce the rule," says John List, chairman of Chicago's economics department, in an e-mail, although he says he admires Mr. Weyl's work in this area. But Mr. Weyl remains hopeful. After all, he points out, "300 years ago, nobody thought democracy was a reasonable form of government."

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gobler • a month ago

The economic inefficiency of democratic voting to make economic decisions is an Econ 101 piece found in many beginning level textbooks. While that may detract from the claimed brilliance or ingenuity of these gentlemen it also reinforces the validity of their idea. Voting that allows people to express the strength of their feelings clearly could create more efficient outcomes in some scenarios. However someone will have to invent a method that is simpler to implement than Mr. Weyl's proposals (or what I take from the article here).

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labronx • 22 days ago

Doesn't this tacitly assume that the aggregation of so much wealth in the hands of so few, is justified?

In other words: the fault is NOT with democratic voting (as the authors suggest), but with extreme wealth accumulation -- and all they are doing is finding ways to accept and then leverage such obscene accumulation of wealth.

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cmclain • 22 days ago

The author lost me when he said that I may have to trust the economists on the math.

19 | 1 • Reply • Share ›

**bsarchett** cmclain • 21 days ago

Exactly, cmclain! Why anyone would turn to economists for answers about anything is beyond my comprehension after the debacle of the last few years. Fool me once? Maybe. Twice?

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sessional • 22 days ago

So, how many votes could the Koch brothers, or George Soros, or Bill Gates, or Warren Buffet buy? Under this plan, elections would become a contest of the wealthy, as they originally were.

Charging the voting fees to a credit card could even eliminate ballot counting - the number of votes that a person cast could be calculated by analyzing the credit card charges. That could make a more "efficient" system by having fewer people casting meaningful votes, and entering voting fees into a spreadsheet, but it would hardly be representative.

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**anonprof** sessional • 21 days ago

If they wanted to buy 10,000 votes, it would cost \$100,000,000. If they wanted to buy 100,000 votes, it would cost about \$10billion. I wonder how many votes they influence through their various PACs. I bet the

cost per vote is lower under the current system.

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John anonprof · 20 days ago

Or, they could provide money to members of the tea party to cast votes. How many votes could they buy with that money if they gave people \$16 to cast 4 votes each? At that rate, \$100,000 would buy 25,000 votes.

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gavin_moodie John · 20 days ago

Good point John. Another way of getting out the vote.

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wclibrary · 22 days ago

Trust that "University of Chicago-style social science."

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gobler · 21 days ago

To those who correctly worry about the ability of the wealthy to have too much influence by purchasing voting power Weyl's idea would be to cap the ability of individuals to flood the election with purchased votes but then deciding what the cap is becomes a much less rational decision. In the 1970's in Chicago a vote cost one pint of whiskey and it was a seller's market. This idea does not seem practical.

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mcleland · 21 days ago

Should the strength of conviction be a factor in vote counting? The U. of Chicago folks assume yes. Is it so?

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quepasso · 21 days ago

i don't think that strengthening the emotional aspect of voting is helpful. how about they put their brains together to come up with a way to make people vote more rationally, based on evidence, balanced judgment and open minded critical thinking? maybe something like a fair and equal high quality education system - just a thought. oh i forget people (and therefore markets) already behave rationally in the Chicago business school world view ... that's why markets regulate themselves, the financial crash was/still is impossible and all evil can be healed by enlightened self interest - where the enlightenment comes from is not their concern...

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cwinton · 21 days ago

"First, the cost of votes rises so fast that the effect of wealth dissipates quickly. (One thousand votes cost \$1-million.)" Sounds like the author is the one who needs to learn some math. This is 2 to the nth power voting. 2 to the 30th power (30 votes) is already over 1 billion dollars. When you look at it correctly the idea is much more intriguing. You can subvert the math, however, by paying others to vote your way (e.g., a 10 vote ballot costs about \$1000, so doling out \$1000 to 1000 people would - if you could control their behavior - net 10,000 votes for your cool \$mil, whereas no amount of money would cover even a 50 vote ballot).

from a 2012 survey.

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sciencegrad • cwinton • 21 days ago

How is it 2^n voting? The authors clearly state that the cost is the square of the number of votes.

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DP_Saint • 21 days ago

Perhaps it's time to Occupy the U. of Chi. Econ. Dept. The buying of votes--and brains--by the wealthy is already a fact. Besides we're dumping critical thinking in universities anyway. As for hiring faculty, the foundations pouring bucks into STEM programs are doing that in effect. Humanities?

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corwinamber • 21 days ago

Explicitly creating the American equivalent of 'rotten boroughs' in the 18th/19th century UK sounds exactly like the bad idea that Chicago economists/law and economics profs are likely to come up with. Next they will no doubt resurrect the idea of congressmen from elite universities, as Oxford and Cambridge once had. At least it makes clear that money is the weapon of choice in the current de facto civil war in America.

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draybeck • 21 days ago

We already have the complex voting system that allows the minority to rule the majority. It's called lobbying, advertising and gerrymandering. WE boast the best government money can buy.

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akprof • 21 days ago

This is nuts - back to the robber baron era. But I'll bet the Koch brothers would love it the problem is tha tyou have to have money to vote - many people who feel strongly about simething simply wouldn't have the funds. And frankly, the people who have the funds probably would not voe for my position - so I'm agin it!!!

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perplexed • 21 days ago

I'd rather do away with voting and select officals at random from those constitutionally elgible to serve. Surely no one believes the current House of Representatives would not be improved by such a procedure.

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a1broom • 21 days ago

Surely this is a joke! I can't believe it wasn't published on April 1.

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gavin_moodie • 21 days ago

The author should ditch the sexist term 'one man, one vote'.

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navydad • 21 days ago

This idea is a fine example of the absurdity to which ideology can lead people.

Try to fit everything into a market model and you get something as ludicrous as the idea of paying for votes. It's also a complete waste of time since the idea has exactly no chance of being implemented, except perhaps in some academic departments.

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ronj1955 • 20 days ago

This is just an apology for corruption.

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sessional ronj1955 • 20 days ago

Agreed. "Avoiding tyranny of the majority" is, by definition, anti-democratic.

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