

## In Search of Optimum "Relative Unanimity": Reply

Cebula, Richard and Kafoglis, Milton

Jacksonville University, Emory University

 $4 \ \mathrm{November} \ 1986$ 

Online at https://mpra.ub.uni-muenchen.de/51239/ MPRA Paper No. 51239, posted 05 Nov 2013 18:53 UTC

## In search of optimum 'relative unanimity': Reply

RICHARD J. CEBULA and MILTON Z. KAFOGLIS Department of Economics, Emory University, Atlanta, GA 30322

The Comment by Brooks attempts to correct 'false leads and trails' in our recent paper (Cebula and Kafoglis (1983)), henceforth, 'C&K'. Most of the problems in our paper that may require clarification are semantic in nature. However, Brooks goes beyond these fairly modest clarifications to misinterpret and reinterpret our model. Finally, Brooks arrives at conclusions that are very nearly identical to ours while using what he believes is a better formulation. Our specific responses are given below.

1. Brooks asserts that the GB curve (gross benefits of collective action) in C&K is not clearly defined because C&K fail to specify whether it includes or excludes the tax costs of providing public goods. Since collective actions can involve rules and regulations which do not require taxation, since tax costs could be either added to the GC curve or deducted from the GB curve, and since it makes no difference to the analysis how this is done, we thought a detailed discussion of this would add confusion at a needless cost in space. We certainly are not guilty of making Wicksell turn over in his grave, and Brooks' lecture (his third paragraph) is gratuitous to say the least. With respect to this item, Brooks finally concludes that 'It is perhaps more satisfactory to interpret the  $\cdot$  benefit curve as net of the costs of tax provision'. We think that perhaps he is correct.

2. The substance of Brooks' Comment hinges on his assertion that GC(R) = P-GB(R). That is, Brooks asserts that the costs of inaction (GC) area function of group benefits (GB). Nowhere do we suggest such a relation! We were trying to capture the relationships (admittedly vague) posited by Fishkin (1979) and Rae (1975). As shown in our paper (p. 198) *GB and GC are independent*. GC is the increasing cost of the foregone alternatives when the voting rule is expanded Brooks mistakenly supposes that the costs of inaction. This is like supposing that a supply curve should be defined as the inverse of the demand curve (which is acceptable in certain specific analytical situations, but not in this one). The discussion throughout the remainder of the Comment is based on the relation GC(R) = P.GB(R). This is Brooks' formulation, not ours. We have no idea how he could have gleaned it from

our note, but believe it probably relates to our use of the term 'gross' in describing these curves or to our assertion that the 'probability' of inaction increases as the voting rule becomes more inclusive. Once again, the notation on p. 198 also makes it clear: GC and GB are not functions of one another, but that each is expressly and solely a function of the voting rule (R).

3. Brooks is also critical about our use of the origin as a starting point for both curves. This, of course, is a geometric simplification. Our notation on p. 198 is clear enough in stating that our concern is with the voting range in excess of 50% and that it is the *slopes* of the curves that matter beyond that point. In principle, the vertical intercept is not critical.

When all is said and done, some semantics and some geometry may have been clarified by Brooks. However, Brooks' major contention that our model implies GC = P.GB is in error. Moreover, we do not believe that a model based on standard probability theory is capable of capturing these relationships. What is more important, is that we all come out at about the same place.<sup>1</sup>

## NOTE

1. Part of the misinterpretation by Brooks may be traceable to his misquotation in his second paragraph of our p. 196. By substituting the word 'the' for our word 'these', he may have lost sight of our basic concern (p. 196) with ". . . the decisions that are sacrificed because 'negative minorities' may be able to block efficient decisions."

## REFERENCES

- Cebula, R.J., and Kafoglis, M.Z. (1983). In search if optimum 'relative unanimity.' *Public Choice* 40: 193-201.
- Fishkin, J.S. (1979). *Tyranny and legitimacy: A critique of political theories*. Baltimore, MD: The Johns Hopkins Press.
- Rae, D.W. (1975). The limits of consensual decision. *American Political Science Review* 69: 1290-1294.