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Gordon Tullock starts his latest book with a discussion of several myths surrounding the issue of voting. He points out that most people think that majority voting is the best method of making government decisions, while they also believe that juries should make their decisions by *unanimous* votes. Tullock emphasizes that Lincoln, Wilson and Clinton were elected by a *minority* of the voters. Does 'democracy' mean that all adults, with the possible exception of criminals, are permitted to vote? Tullock also discusses cases in which only few people can vote, so his book is called 'On Voting' and not 'On Democracy'. In Chapter 3, Tullock discusses the relevance of the paradox of voting. He presents a special case of Arrow's theorem which allows a drastically simplified proof. However, this comes at the cost of the additional condition that if a voting method is used to select between 2 alternatives, then it will select the one preferred by a majority. In any case, noting that Condorcet cycles are quite rare in the real world ("most formal voting is made on a simple up or down two-sided choice in which event the Arrow theorem does not apply", p.64), in the rest of his book Tullock addresses important issues which so far have received less attention in the (formal) literature.

By what methods are the alternatives to be chosen among by the voting process pre-selected? Tullock notes that often subjects suddenly pop up, are important for a while, and then disappear. A theory explaining this phenomenon would clearly be desirable. Tullock discusses the important issue of log-rolling in detail. Log-rolling is a trade among voters in which they agree to vote against something that they actually favor in return for somebody

else assisting them getting something they want. Suppose first that votes cannot be traded. It is true that majority voting over two alternatives is optimal whenever everyone is equally displeased if he or she does not get his or her will. But if the intensities of pleasure and displeasure are different, majority voting is not optimal. Now assume that votes can be traded. If there were no bargaining costs, then the unanimity rule would always be optimal (i.e., minimize the amount of displeasure in the society). However, since in practice there are bargaining costs, Tullock advocates a less-than-unanimity (but still more-than-majority) rule. Tullock points out that in general cash payments are illegal, so that bargaining can be done either explicitly by exchange of promises -- voter 1 agrees to vote for bill *B* tomorrow if voter 2 will vote for bill *A* today -- or implicitly by creating a new combined bill *AB*. With open voting the exchange of promises is obviously more effective then with secret voting. Tullock sees little difference between explicit and implicit log-rolling. He argues that the "end product is that log-rolling which is dominant in all democratic societies leads to outcomes that are efficient in the same sense that market outcomes are efficient" (p. 139), i.e., efficient given the existence of transaction costs.

Throughout the book and also in a special appendix, Tullock discusses a bouquet of different voting methods such as the English system by which the legislature is selected by voting in each constituency and the system of proportional representation. He personally likes a two chamber legislature with one chamber elected according to the English system and the other according to the proportional representation system, but his favorite form of voting is demand revealing, which permits individuals to indicate the intensity of their desires.

Gordon Tullock has once again written an insightful and stimulating book. While political scientists who are not familiar with the public choice literature will find the book accessible, it can also be recommended to public choice scholars who are interested in suggestions for future research. There are several typographic errors, but this is only a minor point. I think Tullock's style -- he regularly tells anecdotes -- make his books quite entertaining, but some readers might prefer a somewhat clearer structure of the reasoning. Tullock repeats several points which he considers to be important several times throughout the book, while it is not always obvious to me why certain points are discussed where they are discussed. E.g., the question 'who should vote' appears in the second half of the chapter on 'Direct voting with log-rolling'.

By the way, Tullock suggests that civil servants and their families should be deprived from voting, since they might vote to improve their wages. I am not sure whether this were obviously suboptimal. The argument reminds me somewhat of Tullock's famous rent-seeking idea. The social loss of a monopoly is traditionally believed to be the Harberger triangle only (since decreasing consumers' rent while increasing the monopolist's profit is just redistribution), but Tullock argued that the social loss is also the rectangle that represents the monopolist's rent, since the monopolist may e.g. have to bribe a politician to get the monopoly. However, is the bribe really lost, or isn't it also just redistribution? Obviously, further arguments along the lines of the traditional deadweight loss analysis are needed in order to establish the inefficiency of rent-seeking. Such additional arguments also seem to be necessary in order to show that redistribution in favor of civil servants is suboptimal.

As far as log-rolling is concerned, I agree that it plays an important role when the number of voters is small. However, when there are millions of voters, bargaining costs usually outweigh the benefits (one formal argument can be found in Mailath and Postlewaite, 1990), and I wonder whether in this case one can generally argue in favor of more-than-majority rules. For example, assume that utilities can simply be added in a private value setting, and let the utility of everyone in the status quo (e.g., smoking is permitted) be normalized to 0. If the status quo is changed (e.g., smoking is prohibited), some voters gain and have a utility of $v>0$, while others loose and have a utility of $-w<0$. It is straightforward to see that the optimal quorum (which leads to a change whenever the sum of the utilities is positive) is given by $w/(v+w)$. Of course, if $v=w$, then majority voting is optimal, as has been pointed out by Tullock (p. 77). However, in general the optimal quorum in this simple example can be larger than ½ (if $v<w$) or smaller than ½ (if $v>w$). See also Schweizer (1990).

One issue that Tullock unfortunately does not discuss is the idea that (majority) voting can be an efficient means to aggregate information in a common value setting (the utility of every voter is v if we change the status quo, but no one knows v exactly; different voters have different signals about v). This idea has received some interest in the recent literature which (in contrast to the traditional literature on the Condorcet Jury Theorem) assumes rational (instead of sincere or naive) voting (see Feddersen and Pesendorfer, 1996, and the literature cited there). It would be interesting to know how Tullock judges the relevance of this (very technical) literature.

It is true that log-rolling plays a major role in coalition governments, which are the rule in many European countries including Germany. It is clearly desirable to study coalition contracts in more detail. I have studied one rather unusual clause of such a contract in Schmitz (1998). There I assumed as a shortcut that direct cash payments are made. As Tullock points out, such an assumption "makes the analysis much simpler" (p. 155). Nevertheless it may be worthwhile to analyze whether barter trade always leads to inefficiencies, or whether it may even be welfare-enhancing (see Prendergast and Stole, 1999).

Finally, for me it is interesting to note that Tullock argues that the German voting method, which is a compromise between the English system and proportional representation and which has been copied by Italy, New Zealand, Japan, and Russia, is "bizarre" (p. 182). I agree with Tullock. In fact, polls before elections regularly show that many German voters simply do not understand the complicated German system in which each citizen casts two votes. Clarity and simplicity seem to be important requirements a voting method should fulfill.

To summarize, Gordon Tullock, who certainly knows how to handle critics ("Those who object to log-rolling are simply objecting to it because they have not thought about the matter very much", p. 131), has once again written a highly recommendable book in an entertaining style. This book is a valuable addition to the impressive work (see Durden, Ellis, and Millsaps, 1991) done by one of the pioneers of public choice.

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