University of St.Gallen

Course and Examination Fact Sheet: Spring Semester 2020

6,250: Social and Public Choice

ECTS credits: 3

Overview examination/s
(binding regulations see below)
Decentral - Group examination paper with presentation (all given the same grades) (60%)
Decentral - Written examination (40%, 60 mins.)

Attached courses
Timetable -- Language -- Lecturer
6,250,1.00 Social and Public Choice -- Englisch -- Hodler Roland

Course information

Course prerequisites
None. (Microeconomics II recommended)

Learning objectives

1. Understanding the key concepts of social choice.

2. Being able to apply these concepts and to discuss real-world challenges to "fully" democratic decision-making.

3. Development of presentation and debating skills.

Course content

How can democratic decision-making lead to socially desirable outcomes? And, importantly, how can we even evaluate whether it does so? For example, is majority voting socially desirable? Or should the votes of individuals from less populous regions have more weight (which may have contributed to Trump's victory in the 2016 US presidential election)? Or should the votes of younger individuals have more weight (which may have changed the outcome of the Brexit referendum)? And should there be particular minority rights for, e.g., members of ethnic minorities or individuals with disabilities? More generally, what is the relation between democratic decision-making and individual liberties? Looking into the future, should we go for an algorithmic democracy that uses our traceable digital activities to compute the optimal collective decision?

Questions like these are best studied using the tools from two related fields: social choice and, to a lesser extent, public choice. Social choice offers a theoretical framework for the analysis of whether and how we can aggregate individual opinions, preferences, interests or utility levels to reach a collective decision. Public choice studies collective decision-making as well, but focuses on the different political actors rather than the possibility of collective decisions. These two fields both lie at the intersection of economics, philosophy, and political science. They have been shaped by three Nobel laureates in economics: Kenneth Arrow, James Buchanan, and Amartya Sen.

The course consists of two parts: The first part includes five lectures in which I introduce the social choice framework and discuss (i) some voting paradoxes, (ii) Arrow's Impossibility Theorem, which is arguably the most important and disturbing result in the social sciences, (iii) the special appeal of majority voting, (iv) the role of private information and the chances of it being truthfully revealed, and (v) the difficulty in finding collective decision rules that guarantee minimal individual liberties. Some of these results are established using mathematical logic (but there will be no mathematical operation beyond the secondary school level -- promised).

The second part consists of essays that students write and present in groups of 1-2 students. The idea is that students focus on more applied questions on democratic decision-making, such as those relating to minority protection or age-dependent voting

weights mentioned above.

Course structure

Before the semester break, there are five lectures on social choice covering topics (i)-(v) listed above, and a short exam with essay-type questions. After the semester break, students have time to write their essays. The essays are all presented and discussed in a single block day.

Course literature

Recommended (but certainly not compulsory) books:

Nitzan S., 2010. Collective Preference and Choice. Cambridge University Press.

Sen A., 2017. Collective Choice and Social Welfare (expanded edition). Penguin Books.

Taylor A.D., Pacelli A.M., 2008. Mathematics and Politics: Strategy, Voting, Power and Proof (second edition). Springer.

Additional course information

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Examination information

Examination sub part/s

1. Examination sub part (1/2)

Examination time and form
Decentral - Group examination paper with presentation (all given the same grades) (60%)

Remark
Groups of 1-2 students

Examination-aid rule
Term papers

- Term papers must be written without anyone else's help and in accordance with the known quotation standards, and they must contain a declaration of authorship.
- The documentation of sources (quotations, bibliography) has to be done throughout and consistently in accordance with the APA or MLA standards. The indications of the sources of information taken over verbatim or in paraphrase (quotations) must be integrated into the text in accordance with the precepts of the applicable quotation standard, while informative and bibliographical notes must be added as footnotes (recommendations and standards can be found, for example, in METZGER, C. (2017), Lern- und Arbeitsstrategien (12th ed., Cornelsen Schweiz).
- For any work written at the HSG, the indication of the page numbers both according to the MLA and the APA standard is never optional.
- Where there are no page numbers in sources, precise references must be provided in a different way: titles of chapters or sections, section numbers, acts, scenes, verses, etc.
- For papers in law, the legal standard is recommended (by way of example, cf. FORSTMOSER, P., OGOREK R. et SCHINDLER B. (2018, Juristisches Arbeiten: Eine Anleitung für Studierende (6. Auflage), Zürich: Schulthess, or the recommendations of the Law School).

Supplementary aids
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Examination languages
Question language: English
Answer language: English

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2. Examination sub part (2/2)

Examination time and form
Decentral - Written examination (40%, 60 mins.)

Remark
Two essay-type questions

Examination-aid rule
Extended Closed Book
The use of aids is limited; any additional aids permitted are exhaustively listed under "Supplementary aids". Basically, the following is applicable:

- At such examinations, all the pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without hand-written notes are admissible. Any other pocket calculator models and any electronic dictionaries are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as notebooks, tablets, PDAs, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

Supplementary aids
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Examination languages
Question language: English
Answer language: English

Examination content
(i) Voting paradoxes. (ii) Arrow's Impossibility Theorem. (iii) Majority voting, May's Theorem, and Black's Majority Voting Theorem. (iv) The role of private information and the Gibbard-Satterthwaite Theorem. (v) The Impossibility of a paretian liberal.

Examination relevant literature
Slides. Chapters 1 and 7 from: Taylor A.D., Pacelli A.M., 2008. Mathematics and Politics: Strategy, Voting, Power and Proof (second edition). Springer.

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Please note

Please note that this fact sheet alone is binding and has priority over any other information such as StudyNet (Canvas), personal databases or faculty members' websites and information provided in their lectures, etc.

Any possible references and links within the fact sheet to information provided by third parties are merely supplementary and informative in nature and are outside the University of St.Gallen's scope of responsibility and guarantee.

Documents and materials that have been submitted no later than the end of term time (CW21) are relevant to central examinations.

Binding nature of the fact sheet:

- Information about courses and examination time (central/decentral) and examination typestarting from the beginning of the bidding on 23 January 2020
- Information about examinations (examination aid regulations, examination content, examination-relevant literature) for decentral examinations after the 4th semester week on 16 March 2020
- Information about examinations (examination aid regulations, examination content, examination-relevant literature) for central examinations as from the starting date for examination registration on 6 April 2020

Please consult the fact sheet again after these deadlines have expired.