

## IN MEMORIAM

## The Future Legacy of Public Choice

GORDON TULLOCK  
1922–2014

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**G**ordon Tullock worked at many schools and on several continents over his long and illustrious career, but nowhere is his impact felt and presence missed more than at George Mason University, where I did my graduate work. In faculty offices there, nearly everyone has their favorite Tullock story. There he is remembered for his wit, often in the form of memorable insults; as colleague Alex Tabarrok mused in a memorial, “In my profession, not to have been insulted by Gordon is to be a nobody.” He is also remembered for the generosity he showed his colleagues with his time and insight. His work is assigned in more graduate courses than not, often carrying names of fields he was a seminal author in: Law and Economics, Constitutional Political Economy, and of course Public Choice.

Unfortunately, I never met Tullock. He retired from Mason in 2008, two years before I started my doctoral work there. I never had a chance to take one of his famous seminar courses, where although he often said the optimal class size was zero, he inspired a large (and positive) number of economists. Still, I feel that I know him from his prolific work, of which he once said more was published than was ever assigned to him during all his formal economics training. For those of you who don’t get his joke, Tullock was a lawyer by training, and supposedly only took one economics course for credit, taught by Henry Calvert Simons at the University of Chicago.

Following his death last November at age 92, others commented extensively on his most recognized contributions to economics: his joint work with James Buchanan on *The Calculus of Consent*, the rent-seeking model, and the transitional gains trap. His work reveals an enormous intellect and command of economics, but also an abiding curiosity and desire to understand the social world defined as broadly as possible. In this regard he joins

other giants of economic thought who pushed the boundaries of the economic way of thinking into other fields: Tullock was the prototypical economic imperialist. His work has inspired articles, dissertations, books, and entire careers. I hope and suspect it will continue to do so for many generations. And so, in this tribute to Professor Tullock, I want to discuss areas of his research that are, to date, relatively unmined.

**THE TULLOCK PARADOX**

While his work on the economics of politics and rent-seeking in particular never got the broad public recognition it deserved, it was enormously influential inside the economics profession. His seminal paper on the subject, “The Welfare Costs of Tariffs, Monopolies, and Theft,” is his most-cited work and one of the most cited articles in the field of political economy. It has inspired an extensive literature on the causes and consequences of corruption. Rent-seeking is sure to be the most durable part of Tullock’s legacy, for which many economists believe he should have been awarded a Nobel Memorial Prize (presumably shared with Anne Krueger, who independently wrote about the idea and coined the term).

People who accept the public interest theory of government—that government officials are selfless advocates of the public good—often ask (or lament) why there is “so much money in politics.” Tullock answered convincingly: firms curry favor with politicians, who need money for their re-election campaigns, through lobbying. While the idea of rent-seeking—the lobbying of policymakers for laws and regulations that give some firms market advantages over others—is a cornerstone of public choice theory, it has left economists with an empirical conundrum: why is there *so little* money in politics? If so much regulation and subsidy is driven by rent-seeking, why don’t more firms pursue this strategy to strengthen their market position?

In Tullock’s original model, rent-seeking is an all-pay auction where the probability of winning the prize is an increasing func-



tion of the firm or group's lobbying effort. While big spenders often do get the policies they want, they typically spend much less than what was at stake. For instance, Thomas Stratmann, who would later be Tullock's colleague at Mason, estimated that a mere \$192,000 in campaign contributions from the American sugar industry was enough to effectively influence a 1995 House vote on over \$5 billion of subsidies.

So was Tullock wrong and government isn't for sale? Perhaps it's not for major programs like Medicare or Social Security. But for small programs that voters neither know nor care much about, lobbying seems to be important and the price is low. A growing empirical and experimental literature continues to explore this question, evidence of Tullock's continued relevance in the field he founded.

#### THE VOTE MOTIVE

Tullock has some fame for his work on the "vote motive," explaining why people bother to vote at all. Simple mathematics reveals that the chance of a voter affecting the outcome of an election of any notable size is infinitesimal, so why do people bother to vote in the first place?

Tullock's insight on the vote motive is to suggest that because people have such a small chance of affecting the outcome and they

appreciate that fact, their motivations must be non-instrumental. Perhaps they feel it is their duty to vote or they just like voting. Other economists, however, have pressed the question further. How might the lack of instrumental value affect how people choose to vote, for instance?

Geoffrey Brennan and Loren Lomasky, in their 1993 book *Democracy and Decision*, suggest that fully rational voters will not, as a rule, always vote for politicians and policies that lead to outcomes they prefer. Instead, they might vote *expressively*, to signal support for persons and groups that the voters want to associate with. Because their probability of decisiveness is so low, the expected cost of voting for a policy that a voter does not prefer is, in most cases, quite low as well. Tullock's Mason colleague Bryan Caplan goes further, suggesting that voters derive utility from supporting particular beliefs that are sincerely held but at odds with economic reality. Voters do not choose beliefs to match up with good outcomes because they are ignorant of the effects of policies or even what the policies are and who is responsible for implementing them. All this work has its roots in Tullock's approach to the act of voting.

Tullock understood voting as just another aspect of human behavior, not a holy ritual where voters become fully informed and

## IN MEMORIAM

publicly interested as soon as they step into the voting booth. His nonromantic approach to politics has fundamentally changed the way that academics approach the study of politics. The study of what motivates political decisions, either for voters or politicians, is central to our understanding of the political process and will be a wellspring of research for the future.

## LAW AND ECONOMICS

Tullock practiced law briefly before his interests shifted to academia. His familiarity with the law and his economic insight made him one of the fathers of the field of Law and Economics. He wrote extensively on legal issues, including a book, *The Logic of the Law*.

Much of his work in the field is overshadowed by other economists, like Ronald Coase, Richard Posner, and Gary Becker. But Tullock was instrumental in redefining the analysis of law from an extension of moral philosophy to something that could be analyzed using the tools of modern welfare economics. This was absolutely transformative for legal scholarship and breathed new life into old arguments over things like criminal punishment vs. rehabilitation (Tullock saw little evidence of rehabilitation's effectiveness) and civil vs. common law.

Ever the contrarian, he questioned the emerging consensus that the common law is efficient, challenging Posner's 1973 hypothesis. Posner claimed that efficient rules will tend to stand while inefficient rules will be constantly litigated and thus overturned. Tullock responded that judges and lawyers may engage in rent-seeking behavior to maintain inefficient rules that line their own pockets. He further argued that common law has been an abject failure in terms of providing objective, stable, replicable legal rules. Resources, he argues, are wasted in the adversarial process as both sides compete to present a more convincing version of the facts that supports their side instead of efficiently pursuing the truth.

Jury trials and judicial decisions are a natural fit for analysis from a public choice economist. Just as Buchanan and Tullock endeavored to present a "politics without romance," Tullock brought a decidedly nonromantic view to the sacred institution of the common law trial. Even though most scholars in this field see considerable merit in the common law, his arguments still ring true: in the United States, litigation costs are extremely high by world standards and yet there is little evidence to suggest that legal accuracy is higher here than elsewhere. Legal scholars must continue to wrestle with his efficiency-based indictment of the common law adversarial system.

The economic analysis of the law is a vibrant field of research among economists and legal scholars. Many law schools consider economics training fundamental for future lawyers and judges. While Tullock is certainly considered a maverick in this field, his analysis

of jury trials in particular should be another enduring aspect of his legacy. The question of how to optimally design and enforce legal rules continues, justly, to receive considerable attention.

## AUTOCRACY

Most work on the economics of politics, including Tullock's, concerns itself with the political economy of modern democratic polities. Tullock, however, was looking to expand the scope of public choice beyond democratic governance. After all, he claimed, western democracies are a historical anomaly. Throughout history, and at the time of his writing, rule by an autocrat or dictator was the most common form of government.

In his most ambitious work, *Autocracy*, he explored the political economy of the dictatorial state. Most important is his analysis of revolution and coups. Firstly, he doubted the prevalence of elaborate plots to overthrow governments, writing: "The trouble with a careful plot is that too many people have to know about

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it. Even discussing a coup with one or two persons is dangerous." Much of his work explores the ways in which potential coups act as a limit on autocratic power, but also how difficult it is to stage a successful coup instead of ending up dead or in prison.

He proposed a "paradox" of revolution based on Mancur Olson's logic of collective action: since any one person's contribution to the revolutionary cause has only a small chance of affecting the outcome, popular revolution should be impossible because even those who would benefit from the revolution will find free-riding the dominant choice. Tullock suggested that most, if not all, revolutions are just thinly veiled competitions between elites. This reasoning has been used to explain the lack of revolution in truly odious regimes like North Korea, where there is little such competition.

Historians have a fondness for romantic portrayals of popular uprisings, but Tullock's insight suggests that historical scholarship may need to be significantly revised to be consistent with what we have discovered about human behavior. With some notable exceptions (see, e.g., Martin McGuire and Olson's "The Economics of Autocracy and Majority Rule"), Tullock's work on autocracies has not yet led to the flowering of research that this topic deserves. Some might be tempted to say the study of autocracy is now of mostly historical interest, as democracies outnumber pure autocracies in today's world. But as the lines

between autocracy and democracy grow increasingly blurred, his call to action is becoming more important.

### BIOECONOMICS

While Tullock himself wrote extensively on politics, the original concept that he envisioned for public choice was much broader. The original title for the journal he founded and edited, which would eventually become *Public Choice*, was *Papers in Non-Market Decision-Making*. He was the consummate economic imperialist: in the tradition of great economists like Adam Smith and Ludwig von Mises, he saw the economic way of thinking as a way to understand *the world*, not just the world surrounding money and commerce. In the later parts of his career, he even began writing extensively on *non-human* societies, bringing the economic way of thinking to the realm of biology and ecology.

His work in bioeconomics might be his most peculiar academic contribution and the least explored. But no other work embodies his curiosity and approach to understanding the world than his book *The Economics of Nonhuman Societies*, which is largely dedicated to describing the social structure of ant and termite colonies using the framework and terminology of economics.

He demonstrated that nonhuman societies share many characteristics with human societies, such as rudimentary property rights enforced by dominance structures that provide protection or enable predation. He applied this thinking to a wide variety of nonhuman species, including termites, ants, birds, terrestrial mammals, and even slime molds. He insisted that nonhuman species, despite lacking many of the mental capabilities of humans, nevertheless conform to the same principles of rationality. He argues that these principles have been critical to the success of a number of animal species.

Critically, he showed that nonhuman species engage in what might be considered advanced levels of cooperation without external direction. This work should be considered part of the literature on spontaneous order. He also noted that a number of species perform cooperative feats without the existence of a market, but that the lack of a market limits what this cooperation can achieve. This work shows how innovations such as markets have been important in enabling human development to reach such extraordinary heights.

Tullock had no formal training in the natural sciences, but his interest in the structures of society and the enablers of social cooperation motivated a fascination with the natural world. This area is ripe for research: understanding how animal behavior conforms to the principles of rationality gives insight into the natural environment and into our own minds. The fields of neuroeconomics and behavioral economics owe much to this early work on the biological underpinnings of economic behavior.

### CONCLUDING REMARKS

Tullock changed the social sciences. A man who had only one course in economics revolutionized what it *means* to do econom-

ics. Many ideas of “Virginia Political Economy,” seemed radical in the 1960s and 1970s, forcing Tullock to move from school to school and operate on the fringes of academia instead of at the center. Many considered his personality acerbic and his ideology unacceptably conservative. But his ideas won out: the idea that economics or “rational choice theory” can apply to politics is now considered mainstream.

When he started writing in economics, the profession had changed drastically from the enterprise started by Adam Smith. It took a natural-born economist with an eye for interesting questions—and little formal training—to bring the economic way of thinking back to its roots as the quintessential social science and not simply a branch of applied mathematics closely related to finance or commerce.

Tullock was interested in big ideas. He wanted to not take for granted the social constructs that make life on earth possible. He wanted to examine these constructs, criticize them, and consider their alternatives. He asked us to put aside our biases and preconceptions and he wanted to understand how to make the world better. Having spent a lifetime reading and writing about politics, he wrote in “The Social Cost of Reducing Social Costs”:

Democracy is not a holy institution, but a mechanism for achieving some fairly prosaic goals. It does not appear to be a very efficient mechanism. Under the circumstances, I can think of few more important fields of research than looking for something better.

Tullock is well known as a realist, but a part of him was a dreamer.

He represents the best of academia: infectious curiosity, piercing intellect, clear writing, and an industrious temperament. He was constantly engaged with the profession, tirelessly writing articles and books and corresponding with economists and experts from other fields. He is one of the few social scientists who made more than just a marginal contribution to their field. He had the courage to be different and the talent and will to be truly great. He will be missed, but never forgotten. R

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