Rational Ignorance and Beyond

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Gerry Mackie, Assistant Professor
University of California, San Diego
gmackie@dss.ucsd.edu
Department of Political Science
9500 Gilman Dr., MC 0521
(Social Sciences Bldg. 301)
La Jolla, CA, 92093-0521, USA

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**Introduction.** An economist would be “embarrassed to be seen at the voting booth” (Dubner and Levitt 2005). Although most citizens vote, the standard view in rational choice theory is that it’s irrational to do so. It’s extremely unlikely that any one vote would break a tie, and when a single vote does not break a tie it does not cause the outcome. Since voting is costly, almost any single vote would be instrumentally irrational. And if it is irrational to vote, it is at least as irrational to know anything about the candidate or issue voted on. “Economists have long argued that voter ignorance is a predictable response to the fact that one vote doesn’t matter. Why study the issues if you can’t change the outcome? Why control your knee-jerk emotional and ideological reactions if you can’t change the outcome” (Caplan 2007, 2). Although many citizens have some political knowledge, the standard view in rational choice theory is that voters are “rationally ignorant.”

I begin this essay by briefly tracing the discourse of the folly of crowds from Plato through LeBon to Schumpeter, who is critical to its establishment in American political science. Postwar survey research revealing the weak knowledge of voters about political facts was explained by Downs with reference to the paradox of nonvoting, the idea that it is irrational for any one material egoist to vote unless he is pivotal to bringing about the outcome. The pivotalist model of voter turnout is misconceived, I argue. In its place I offer what I call the contributory model. First, the empirical evidence is that many voters tend to vote for the general interest, not their own self-interest. Second, many voters are motivated not only by the winning value of voting, being pivotal, but also its mandate value, advancing the tally of one’s side in one election and beyond. Contributing to the advance of a great public good is sufficient to motivate voting for many, I suggest. Unlike the pivotalist model, the contributory model is consistent with two observations. First, many citizens do vote. Second, those voters say in scientific surveys that they vote in order to do their duty and to influence the outcome.
Next, with the contributory model in hand, I challenge the economic model of information acquisition, and the idea of rational ignorance. For economists, the wisdom of crowds does apply, quite nicely, to the marketplace. Some even infer that market actors must be perfectly informed. For many economists, however, the voter is perfectly uninformed, due to rational ignorance. Hence, democratic decision should be minimized and formerly political decisions transferred to the marketplace. I claim that the supposed contrast between consumer knowledge and voter ignorance is theoretical speculation, not empirical fact, and I illustrate with some instances of weak consumer knowledge and strong voter knowledge. The public choice school of thought derives two further analyses from the pivotality account, each damaging to democracy. Brennan and Lomasky accept the pivotalist model of voting, accept the fact that people do vote, and conclude that since voters almost never vote for instrumental reasons, they must vote for expressive reasons: they desire to express a desire. I respond that the contributory model of voting restores primacy to instrumentality in the voting decision, and I dissect a widely cited analogization of voting to cheering and booing at a football game. The expressive theory claims that voters undisciplined by instrumental consequence would express their emotions and that often such expression would be irresponsible and harmful in the aggregate. I comment that the contributory account restores the discipline of consequence to voting. Caplan, following up on Schumpeter, argues that voters are both ignorant and irrational, irrational in that sometimes they hold beliefs they should know to be false, particularly in politics. I respond that his thesis of rational irrationality depends on the pivotalist model of voting, and does not apply should the contributory model of voting be a more accurate description of reality. I also offer an alternative explanation for why a generally rational individual would retain an apparently false belief.

The wisdom of crowds is the idea that the aggregation of the judgments of the less informed many may be as good or better than the judgments of the more informed few or one. In its weaker form the idea is that, if error is randomly distributed, then in
the aggregation of multitudinous judgments error cancels out and truth remains. In its stronger form, as in the Condorcet Jury Theorem, if judgments of the many are on average better than random, then aggregation of those judgments approaches truth quickly as the number of independent judgments increases. My guess is that the wisdom of crowds helps make democracy a success, but that its scope and its power are much weaker than indicated by the pure models. However, if error is not random, but biased, or if judgments are on average worse than random, then the wisdom of crowds turns viciously into the folly of crowds. The pivotalist model of voting implies the concept of the rational ignorance of citizens, and rational ignorance underwrites both Brennan’s idea that voters are expressive and hence more emotional than rational, and Caplan’s idea that voters are rationally irrational. If citizens are perfectly ignorant, or, worse, systematically biased, then there can be no wisdom of crowds in a democracy.

**From Plato to Downs.** In our tradition of political thought, the claim that citizens are woefully ignorant about politics goes back as far as Plato’s aristocratic disgust at the fact that the democratic assembly listens to persons of all ranks and professions without distinction, rather than consulting the noble and the rich as they should (Plato, 1978). It is well-known that in the democratic polity citizens praise insolence, anarchy, extravagance, and shamelessness, why, not only the slaves, but even the dogs and the donkeys there are too full of freedom (Plato 1992, 560e). Although no democrat, Aristotle had friendlier views about the wisdom of crowds. He observed that it is possible (but not necessary) that the many, who are not excellent as individuals, are better when they come together than the few best. True, some crafts are best judged by their few expert practitioners, but others are best judged by their many intended beneficiaries: the guests, for example, are better judges of the feast than the cook. Aristotle’s arguments were repeated and embellished by Marsilius of Padua, among other scholastics; and later by some republicans, including Machiavelli. As cities swelled, industry proliferated, and the liberal democratic state consolidated in the later 19th
century, a reactionary panic gripped the upper classes. Mob psychology was generalized by LeBon into a pseudoscientific theory of the crowd. Every individual, including voters in democratic elections and deputies in democratic assemblies, partakes of a normal civilized self, and an abnormal uncivilized self – atavistic, antirational, and dangerous – incarnated by group action. Elsewhere, Lenin knew what had to be done: a revolutionary vanguard must lead the masses, who otherwise would languish in spontaneity. Hitler proposed that truly Germanic democracy requires a leader of genius to take power away from the majority of ignoramuses and incompetents: a hundred empty heads do not make one wise man, he counseled (Hitler 1999, 75-91).

Schumpeter (1942, 256-264) spritzed up with economics LeBon’s wilted theory and transplanted it to American soil. He said that individual will is more definite with respect to consumer choice, because consumers directly experience the consequences of their choices, but is indefinite with respect to democratic choice because voters do not. Individual will is not independent in politics, because it is mostly formed by the propaganda of leaders and their parties, again because of no relation between voter choice and consequence.

Every parliament, every committee, every council of war composed of a dozen generals in their sixties, displays, in however mild a form, some of those features that stand out so glaringly in the case of the rabble, in particular a reduced sense of responsibility, a lower level of energy of thought and greater sensitiveness to nonlogical influences….Newspaper readers, radio audiences, members of a party even if not physically gathered together are terribly easy to work up into a psychological crowd and into a state of frenzy. (257)
Schumpeter holds that the judgment of a qualified leader is generally better than the pooled judgment of lesser beings, which is one reason why he so emphasizes individual leadership.

Another sort of irrationality is exemplified by advertising, which relies on repetition and association of the targeted product with basic needs such as sex and social approval. There is a check on commercial advertising, says Schumpeter, in that the consumer accumulates favorable and unfavorable experiences with products, improving evaluation. Thus, he is rational about “most of the decisions of daily life that lie within the little field which the individual citizen’s mind encompasses with a full sense of its reality….the things which are familiar to him independently of what his newspaper tells him” (258-259). Individual will might be definite and genuine with respect to local politics, or with respect to “many national issues that concern individuals and groups . . . directly and unmistakably” (260), but less so than within the familiar field.

Otherwise, with respect to national and international affairs unlinked to personal concerns the sense of reality is . . . completely lost. . . . the great political questions take their place in the psychic economy of the typical citizen with those leisure-hour interests that have not attained the rank of hobbies. . . . One has one’s phrases, of course, and one’s wishes and daydreams and grumbles; especially one has one’s likes and dislikes. (261)

There are two further ominous consequences, he says. First, in political matters the typical citizen would yield to extra-rational or irrational prejudice and impulse, and relax his usual moral standards. Second, the absence of the rationalizing influence of experience and responsibility in political affairs means that the typical citizen is vulnerable to advertising by groups with an ax to grind, and “they are able to fashion, and within very wide limits, even to create the will of the people. . . . we are confronted with . . .
. . not a genuine but a manufactured will” (263). Unlike the consumer, the citizen does not accumulate favorable and unfavorable experiences with political products.

Survey research in the 1950s by political scientists associated with the University of Michigan found that citizens are variably informed, and that many know little about the less obvious facts of politics (Campbell et al., 1960, although Bryce 1995/1889 reported the same finding 60 years earlier, and with a more charitable and astute interpretation, in my view). In the same tradition, Converse (1964) claimed to find little understanding of ideology in the electorate (but his data are suspect, see Popkin 2006).

The paradox of nonvoting was first stated by Downs (1957, 244-246), and is often formulated as follows. $B$ is the individual’s Benefit from a winning election outcome, $C$ is the Cost of the individual voting, and $p$ is the Probability that an individual’s vote is pivotal in causing the winning election outcome. An individual would vote then, when $pB - C > 0$. The probability of being pivotal, however, is minuscule, effectively zero; for any individual, the act of voting is all cost and almost no benefit, and hence no one should vote. Downs (1957, 244-246, 266-271) premised rational ignorance directly upon the paradox of nonvoting (298): if one has no incentive to cast a costly vote, one has no incentive to gather costly political information. Deductive theory’s necessity claim seemed to explain the data indicating the absence of knowledge.

**The Paradox of Nonvoting.** Elsewhere, in response to the alleged paradox of nonvoting, I more fully develop a contributory theory of voting (Mackie 2008b). Its argument can be summarized with a simple example. Suppose, reasonably, that one likes playing basketball for the sake of winning, winning by the largest margin, and losing by the smallest margin. The paradox, however, insists that only winning counts, and thus it would be irrational to play on the team if one expected to lose or if to win by more than one point. Past responses to the paradox say: Who cares about the score? It’s stupid to
play, or one is paid to play, or it’s one’s duty to play. Or one expresses a desire for victory in play.

The paradox of nonvoting assumes that voters value only the winning of an election. Their utility function would look like this.

![Figure I: Voting: Only Value Winning](image)

From the diagram, it can be seen that unless one’s additional vote pivotally causes the outcome, it is of no marginal value. It would be futile or redundant. If 39 voters out of 100 vote for a cause, a 40th vote for the cause changes nothing. If 51 out of 100 vote for a cause, a 52nd vote for the cause changes nothing. The claim that voting is irrational often confounds two logically independent claims: redundancy and imperceptibility.

It’s likely that many voters value both winning, and how much their cause wins or loses by, the latter termed the mandate value of voting. Their utility functions would look like this .
Each voter’s contribution is pivotal to the mandate value. None is futile or redundant. If 39 out of 100 votes for a cause, a 40th advances its mandate value. If 52 out of a 100 vote for a cause, a 53rd advances the mandate value. In mass democratic election between two major parties, for example, a large mandate for the left party in the last election would in the present term of office shift their governing policies left and assuming no change among voters shift the policies of both parties left in the next election (Fowler and Smirnov 2007). Now the objection is that a voter’s contribution is, not redundant, but imperceptible. Before addressing the imperceptibility objection, consider that voters are mostly oriented to the public interest rather than to simple self-interest (see Mackie 2008b and references therein) Voters are most strongly motivated by duty and by desire to influence the social outcome (see Mackie 2008b and references therein).

The American Citizen Participation Study, for example, asked an instructive series of questions about citizens’ motivations to vote. Prosocial motivation dominates: half the respondents said at least one particular problem motivated them to vote, and for 9% of them myself, family, or others were affected by the problem, for 46% all the community was affected, and for 45% all the nation was affected. Most intend to influence the outcome: 97% say the chance to make the community or nation a better place to live is somewhat or very important, 91% say the chance to influence public
policy is somewhat or very important, 65% say that furtherance of party goals is somewhat or very important, 22% say that getting help from an official on a family problem is somewhat or very important. Most are morally motivated to vote: 96% say that my duty as a citizen is somewhat or very important, 86% that to do my share is somewhat or very important. Given that so many voters name both influence and duty, someone who says that she has a duty to vote likely means that she has the consequentialist duty to advance the public good, that is, she is instrumentally motivated. Side payments for voting are not very important: 71% say so about obtaining recognition from people I respect, 88% about not wanting to say no to someone who asked. Finally, few vote because they find it exciting to do so.

Table 1. Self-Reported Reasons to Vote

<table>
<thead>
<tr>
<th>Reasons People Give Us for Voting</th>
<th>% Not Very Important</th>
<th>% Somewhat Important</th>
<th>% Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Instrumental</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chance to Make Community or Nation a Better Place to Live</td>
<td>3</td>
<td>14</td>
<td>83</td>
</tr>
<tr>
<td>Chance to Influence Public Policy</td>
<td>10</td>
<td>26</td>
<td>65</td>
</tr>
<tr>
<td>Further Party Goals</td>
<td>35</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>Get Help from Official on Family Problem</td>
<td>79</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td><strong>Moral</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My Duty as a Citizen</td>
<td>4</td>
<td>18</td>
<td>78</td>
</tr>
<tr>
<td>Do My Share</td>
<td>14</td>
<td>41</td>
<td>45</td>
</tr>
<tr>
<td><strong>Indirect Instrumental</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognition from People I Respect</td>
<td>71</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Didn’t Want to Say No to Someone Who Asked</td>
<td>88</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td><strong>Intrinsic</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exciting to vote</td>
<td>63</td>
<td>23</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: American Citizen Participation Study, 1990
These responses are consistent with the contributory theory. Label the number of citizens \( N \), the number of voters for one of the causes \( n \), a voters’ contribution to that cause roughly \( 1/n \), and her discounting of benefit to any other individual \( \alpha (0 < \alpha < 1) \), and a citizen will vote when \( 1/n (B_{self} + \alpha NB_{society}) - C > 0 \) (adapted from Edlin, Gelman, Kaplan 2007). The term for benefit to self, \( B_{self} \), is small compared to the term for benefit to society, \( B_{society} \), and, when each is multiplied by \( 1/n \) contribution, benefit to self usually goes to almost nothing, leaving benefit to society as the principal motivation for voting. If so, then, just as deliberation may operate as a filter to exclude unjustifiable preferences, voting may operate as a filter to exclude self interest and include public interest as input to collective decisions.

Is an “imperceptible” contribution to the benefit of society irrational (Olson 1971, 64), even if the benefit exceeds the cost of the contribution? Parfit (1994, 75-82) argues that it is mistaken to ignore imperceptible harms and benefits, and I do not know of reasons to reject his arguments. Suppose Fatima wants to become a champion gymnast. Her friends correctly tell her that any one day of practice only imperceptibly advances her towards that goal, but incorrectly tell her that for that reason she should skip every practice. My contribution of $25 is imperceptible in comparison to UNICEF’s 100 million dollar budget, but its comparative smallness does not reduce its value from $25 to $0. Empirical studies show that actual humans do strongly contribute to low-cost continuous public goods (Pellikaan and van der Veen 2002, Frey and Meier 2004) Voting in an election is more vivid in process and result than for many other such public goods, and voter turnout is high in developed democracies (the U.S. and Switzerland are exceptionally low).

**Rational Ignorance.** Downs (1957, 244-246, 266-271) premised rational ignorance directly upon the paradox of nonvoting (298): if one has no incentive to cast a costly vote, one also has no incentive to gather costly political information. Downs recognizes “future-oriented” voting (49), what I have called its mandate value. He also
assumes that citizens are motivated to pursue any economic or political goal, not only egoistic ones (6, 37). These two points are compatible with the contributory account. Yet Downs lapses into egoistic logic in concluding rational ignorance (“it is individually irrational to be well-informed,” 246). Having to explain the fact of robust turnout, he then retreats, stating that “Rational men in a democracy are motivated to some extent by a sense of social responsibility relatively independent of their own short-run gains and losses” (267), because collapse of the democracy due to regular nonvoting would be catastrophic. In a final implausible pirouette (269-271), he adds that nonetheless citizens (excepting those lobbyists who happen to have the opportunity to pivotally influence policy) would be irrational to acquire political information (298). If all voters were necessarily ignorant, then elected officials would be unconstrained and there would be no democratic accountability and catastrophe would follow. Downs’ ad hoc explanation for voter turnout should also predict rational knowledge of politics, not rational ignorance.

The pivotal voter model has difficulty explaining why voters turn out in large numbers, and its companion, rational ignorance, I shall argue, has difficulty explaining why voters seem to be about as well-informed as consumers.

*Do Voters Know Enough to Make Good Decisions?* If there’s one thing that many people know about political science, it’s that citizens are woefully uninformed about politics. We are hearing a lot about the topic these days. Bryan Caplan (2007) exposes *The Myth of the Rational Voter: Why Democracies Choose Bad Policies*, Rick Shenkman (2008) asks *Just How Stupid are We? Facing the Truth About the American Voter*, Ilya Somin (forthcoming) examines *Democracy and the Problem of Political Ignorance*. These authors (each affiliated with George Mason University) emphatically relate many poignant instances of citizen ignorance. Caplan and Somin are libertarians who believe it would be beneficial to reduce the scope of democratic government in favor of market exchange. Majority agreement or disagreement has nothing to do with the truth and rightness of libertarian claims, which should be evaluated directly on their
merits. Libertarians though, like Marxists of yore with their concept of false consciousness, need a theory about why the majority of fail to accept their doctrines, and the ignorance and irrationality of the democratic voter is one such theory.

Empirical findings about the imperfection of knowledge in actual democratic politics are compared to theoretical assumptions about perfection of knowledge in idealized market exchange. Neoclassical economics, for modeling convenience, assumes that humans are perfectly informed. That is the default, and sometimes one or another departure from perfect information is modeled. One hopes it is true that everyone understands that perfect information is a modeling assumption and not a fact. The efficient markets hypothesis further holds that prices of traded items accurately reflect all publicly known information at all times. Although the market must be somewhat efficient, crashes and bubbles suggest that it is not entirely so: people do engage in herding behavior (Shiller 2005), for example, copying one’s neighbor who has big paper gains on his house by taking out an interest-only adjustable rate mortgage to speculate on a home purchase, or a pension fund buying opaque mortgage-backed securities only because other pension funds do so. Citizens do tend to lack encyclopedic discursive information about politics in the survey setting, an observation which has prompted several programs of research in political science.

What does democratic theory expect of citizens? Schumpeter invented a classical doctrine of democracy, attributing it to the utilitarians, which supposedly assumed that democracy requires a fully informed citizenry (Mackie, forthcoming). However, John Stuart Mill, the intellectual avatar of liberal democracy, worried considerably about the ignorance and incapacity of the citizens (and of any other controlling body in a government). That is why he wrote in 1861 that “it is essential to representative government that the practical supremacy in the state should reside in the representatives of the people” (1977, 423), that those representatives should depend on an expert bureaucracy for advice, and that the citizenry should become better educated both
by publicly-funded education and by civic participation. James Bryce (1995, chs. 76-87), another influential early theorist of representative democracy, in his 1888 study of the American regime, provided quite a realistic account of how a weakly informed general population could nevertheless control its representatives for the benefit of all. Althaus (2006) details how modern democratic thought generally has not demanded a highly informed citizenry.

Humans lack perfect information about all aspects of their lives. Any individual faces a hard-biting constraint on knowledge acquisition: a limited number of hours in a day and in a lifetime, not to mention foregone opportunities. People begin from complete ignorance, not from complete knowledge, and use a variety of devices to approximate competence. To buy a car one does not need to know who is in charge of the Chevrolet division or the Corolla division, or to know how the firms make their decisions. One compares the final products, and then not as zealously as would a geeky academic, but with reference to easily obtained information from advertising, personal experience, word of mouth, and scattered bits of expert opinion. Voters don’t need to know how the government kitchen is organized. They each can, like the guests at Aristotle’s feast, judge whether they have more or less liberty, safety, peace, and prosperity since the last election, and switch chefs when meals worsen. There is one thing that each of them does know well, how government policy affects her life, and the aggregation of those judgments is more authoritative than the judgment of any panel of expert chefs. Enns and Kellstedt (2008) provide evidence to support the view that “even the least politically sophisticated segment of society receives messages about the economy and uses this information to update attitudes about political issues.”

The low-information rationality school of political cognition holds that humans are cognitive misers who use quick heuristics, information shortcuts, to make decisions (Lupia, McCubbins, and Popkin 2000 is slightly dated but an excellent introduction which contains contrary views). Lupia and McCubbins (1998) study in depth whether
citizens can learn what they need to know. They distinguish information, the abyss of possible facts, from knowledge, the ability to make accurate predictions. More information is not necessarily better in order to make a better prediction, and, given budget constraints, usually would cost more than it’s worth. For voters to make a reasoned choice requires sufficient knowledge, not the Wikipedia of information tested in survey research and retailed in stories about how stupid voters are.

The ignorance finding is due to uncharitable research design in some cases. Gibson and Caldeira (2007) mention that an open-ended question in the 2000 American National Election Study asked who William Rehnquist is, and only coded as correct the answer Chief Justice of the Supreme Court (when in fact his official title is Chief Justice of the United States, with the result that 10.1% gave a “correct” answer. They found that 72% of answers coded as incorrect (excluding don’t-know answers) were in fact nearly correct. A conventional survey takes a respondent by surprise, asking for an immediate answer to a question the respondent is unlikely to have recently considered. Prior and Lupia (2005) gave respondents a dollar for a correct answer, 24 hours to answer the questions, or both, and correctness increased by 11 to 24%.

The miracle of aggregation, in the thinner sense that aggregate public opinion and voting about broad and important issues changes sensibly in response to events and to changing government policies, and that government in turn responds to changing opinions and votes of the citizens, is well supported. Page and Shapiro (1992) survey the policy preferences of Americans from the 1930s to 1990. They conclude that aggregated American opinions on public policies are rational, in the sense that they are stable, coherent, and make sense in terms of underlying values and available information. Most importantly for the argument here, public opinions change in understandable and predictable ways in response to changing events, and opinion changes are sensible adjustments to new information and conditions. Examples are rife. World War Two increased support for military spending, wage and price controls, long working days,
high taxes, and prohibition of strikes, and the end of the war increased support for reversal of those policies (332). And so on. Wlezien’s (1995; Soroka and Wlezien 2004; 2005) thermostatic model is supported by evidence that the public responds to certain general categories of public expenditure. When the level of policy is more than the public prefers, the public favors less, and when the level of policy is less than the public prefers, the public favors more. In turn, budgetary decisions follow public preferences.

Erikson, MacKuen, and Stimson’s (2002) sophisticated and richly detailed analyses argue that election results are influenced by Macropartisanship, roughly, accountability for past economic and other government performance, and by Public Mood, roughly, the public’s demand for future policy change. They also argue that public opinion responds to policy (342-351), not at the individual level, but “when we turn to aggregates, the nation as a whole, the public does react (and react appropriately) to policy making by the national government” (351).

**Is the Marginal Costs Model of Information Acquisition Plausible?** The economic theory of knowledge acquisition holds that an individual seeks new information up to the point where the marginal cost of new information equals its marginal benefit. The proposition has always had a whiff of paradox about it, or confusion perhaps. Since the individual by definition lacks information concerning a possible decision, how could she know what unknown information is worthwhile to obtain and what not? By its market price? The more it costs the more it is worth having? That means that the purchaser has perfect information that the seller of the information is trustworthy, that unknown information is exactly relevant to the decision problem at hand, and that it is worth as least as much as it costs. Maybe that describes buying an issue of the U.S. monthly magazine *Consumer Reports* containing vehicle reliability reports, but sadly most ignorance is not so easily tamed. What if the information is not for sale on the market, but must be discovered directly by the individual? Would the effort and opportunity cost of obtaining the information measure its worth? No: suppose
the person studies astrology for a month to learn better how to assess the reliability of alternative automobile purchases. Studying astrology for two months wouldn’t make the decision better. Consider: how is it that I know that astrology wouldn’t help? Did I test that belief in an experiment? Can I cite any experiment carried out by others on the question? I shall return to this point.

The marginal costs model assumes that an individual otherwise has perfect information, or, somehow, sufficient information, to calculate the acquisition decision. It applies now and then, here and there, but it could never be a general model of information acquisition. Assume a person with no information. How does she proceed? She doesn’t know whether it is worth having any kind of knowledge; she does not know the truth or falsity of any possible belief, maybe she doesn’t even know that she has desires. The marginal costs model is necessarily parasitic on some other more general theory of learning and knowledge. The model does not warrant any sweeping, or even any modestly general, account of knowledge acquisition, not by homo sapiens, not by homo economicus, and not by homo democraticus.

The pivotalist model and the marginal costs model together imply that acquisition of political knowledge is almost never instrumentally beneficial. Some instrumentally valuable political knowledge comes at no effort or opportunity cost, what Downs (1957, 221) called the free information system. It is acquired incidentally in pursuit of some other purpose, for example, watching an entertaining television show exposes one to a political advertisement. Other than paid advertisement, or accidental personal encounters with lobbyists, however, no other incidental knowledge would appear, I infer. The idea that at a poker game one learns about a political candidate, or that there is a frequency of political buttons among one’s friends, depends on the presence of contributory actors, whose existence the pivotalist would deny. In contrast, a contributory voter or activist would be instrumentally motivated to obtain political knowledge, up to a point.
Much knowledge acquisition is intrinsically beneficial, a pleasure in itself to discover, whether it’s knowledge of wars and elections, baseball stats, Pokemon trading cards, geography and history, wedding planning, daily news, child development, handgun types, and so on. Surely individuals vary in the extent of their overall level of curiosity, and the targets of their curiosity vary even more, but a thirst for knowledge is ordinarily part of the human experience. The interest emotion motivates exploration and learning, globally and locally (Silvia 2008). It is generally adaptive, because a creature lacking perfect information does not know whether the unknown is harmful and to be further avoided or whether the unknown is helpful and to be further pursued. To speculate, it may, like other positive emotions, be evolutionarily adaptive: negative emotions such as fear motivate avoidance of threat, but positive emotions such as interest function during times when individuals are able to consolidate and expand their resources. Interest, which motivates people to try new things, people, places, and experiences, is distinct from happiness, which motivates attachment to what is known to be enjoyable. (Gallagher and Lopez 2007, Kashdan and Silvia 2002, Silvia 2008)

Caplan (2007, 120-121) considers history, philosophy, religion, astronomy, geology, politics, and the like to be impractical knowledge. Erring in any of these disciplines is costless, except maybe for the social consequences of being thought ignorant by others. Practical knowledge involves getting out of bed, driving to work, eating lunch, going home, having dinner, watching television, and going to sleep. Here, an error in one’s beliefs is far more likely to have adverse consequences, he says. If Caplan is correct, then the marginal costs model of information acquisition would advise one to forego such impractical knowledge. I join John Stuart Mill, however, in thinking it better to be Socrates dissatisfied than a fool satisfied. An economics which accepts preferences as sovereign has no authority to criticize me for obtaining satisfaction from the rhapsodic application of my impractical knowledge as I wander the Cathedral of our Lady of Chartres. “Impractical” knowledge is not only intrinsically valuable, as in the
preceding example, it is of instrumental value as well. In a complex and largely unknown world to possess a magpie’s nest of useless knowledge is instrumentally valuable in obtaining goods and avoiding losses. Serendipity, the discovery of things by accident, has brought us velcro, penicillin, x-rays, teflon, dynamite, the Dead Sea Scrolls, and thousands of other benefits (Roberts, 1989, ix). The economist Jevons, the physicist Mach, the scientist Priestley, according to sociologist of science Merton (and Barber 2004, 158-162), are just a few of those who say that accidents more often than design propel the advance of discovery. Louis Pasteur, according to Merton, taught his overly practical students that, “Theory alone can bring forth and develop the spirit of invention.” Pasteur, one of the greatest benefactors of humankind, also said that “chance favors only the prepared mind” (Roberts, 244), but what is preparation? Kekule did not calculatively learn the image of ouroboros, the snake swallowing its tail, in order to discover the structure of benzene years later, presumably, he just happened to know it from natural curiosity. Caplan neglects the value of supposedly impractical knowledge in obtaining gains, but it helps avoid losses as well. In the U.S. television series of the same name, the hero MacGyver repeatedly applies seemingly useless knowledge in devising escapes from looming catastrophes, and apparently useless knowledge is serendipitously beneficial in our more mundane lives.

Much novel knowledge, including local social and political knowledge, and national political knowledge, is not obtained from dubious testimony or costly experiment, but is immediately inferred from theory at no cost. I shall elaborate on this point in the section on rational irrationality. In summary, I have suggested three types of costless information acquisition: the incidental, the inquisitive, and the inferential. Costless information acquisition might create a sufficient background of knowledge in which a marginal cost model of information acquisition could operate. The contributory theory of voting allows for instrumental turnout and it allows for instrumental information acquisition, up to a point. Given the many demands in her life, the citizen
would seek for the minimum costly knowledge needed for reasoned choice, in politics, in
the market, and in other life activities.

Rational Ignorance Applies to Both Voters and Consumers. A recent pilot study
by Mat McCubbins, with my participation, compared student respondents’ knowledge of
issues of concern to voters and issues of concern to consumers. Large majorities know
about national political issues, and few (including me) know much about important but
obscure state political issues. As to consumer issues, people don’t know which sports
activities are more or less likely to cause injury, the content of toothpaste, the market
costs of health insurance, which common foods have greater or fewer calories, which
common grocery items cost more or less, or that acetaminophen is the major cause of
liver failure, or that you’re more likely in your home to die of a fall rather than in a fire,
among other things. They do know some details about their most beloved consumer
items such as Ipods. Voters and consumers each showed a wide range of knowledge and
ignorance on factual questions.

A response may be to concede that consumers are rationally ignorant about
trivial purchases, but become fully informed when the stakes are high. How about the
typical consumer’s biggest transaction, with the most dire economic consequences,
purchase of a home? A quantitative survey by the U.S. Federal Trade Commission of
819 recent mortgage customers asked them to examine and compare hypothetical loan
documents (Lacko and Pappalardo 2007). The study disclosed the following:

The failure to convey key mortgage costs was evident across a wide range of loan
terms and among substantial proportions of study participants.

- About a fifth of the respondents viewing the current disclosure forms could
  not correctly identify the APR of the loan, the amount of cash due at closing,
or the monthly payment (including whether it included escrow for taxes and
  insurance).
• Nearly a quarter could not identify the amount of settlement charges.

• About a third could not identify the interest rate or which of two loans was less expensive, and a third did not recognize that the loan included a large balloon payment or that the loan amount included money borrowed to pay for settlement charges.

• Half could not correctly identify the loan amount.

• Two-thirds did not recognize that they would be charged a prepayment penalty if in two years they refinanced with another lender (and a third did not even recognize that they “may” be charged such a penalty).

• Three-quarters did not recognize that substantial charges for optional credit insurance were included in the loan.

• Almost four-fifths did not know why the interest rate and APR of a loan sometimes differ.

• Nearly nine-tenths could not identify the total amount of up-front charges in the loan.

Results were confirmed and deepened by 36 in-depth interviews with recent mortgage buyers about their actual loan experiences: “Many had loans that were significantly more costly than they believed….Many of these borrowers did not learn of these costs and terms until at or after the loan settlement, and some appeared to learn for the first time during the interview. Some of these borrowers reported that they had spent considerable time shopping and comparing loan offers, but still experienced problems or misunderstandings.” Alba and Hutchinson (2000), in a review article on consumer knowledge, conclude that, “Consumers are overconfident – they think they know more than they actually do.”
In contrast, according to Delli Carpini and Keeter (1996), 91% of survey respondents could locate Texas on a map (1988), 76% the Soviet Union (1988), 63% Grenada (1983), 61% Peru (1988), 59% knew the state with the largest population (1988), 55% could name one Central American country (1988), and so on. In history, 91% know that the U.S. used A-bombs on Japan (1990), 84% why Pearl Harbor is important (1981), 81% who was Andrew Jackson (1955), 74% who gave the Statue of Liberty to the United States (1986), 58% who was Napoleon Bonaparte (1975), and so on. In politics (all 1989), 96% know the length of a presidential term, 89% can define veto, 74% know who is vice president, 73% who is governor, 55% which party controls the Senate, and so on. The range of knowledge and ignorance of political facts is much wider on the ignorance side than indicated in this exercise, but the point about comparing consumer and voter knowledge is made.

The notion that consumers are necessarily better informed than voters is a theoretical speculation, not an empirical fact.

**The Expressive Theory of Voting.** The expressive theory of voting (Brennan and Lomasky 1993) is probably the modally endorsed model these days. Market and ballot choices are each composed of both instrumental and expressive elements, it says. Individuals may value expression of a preference through a market exchange or a vote, in other words, they desire to express a desire. The expressive aspect of voting is “action that is undertaken for its own sake rather than to bring about particular consequences” (Brennan and Lomasky 1993, 25). The formula becomes \( pB - C + E > 0 \), where \( E \) is the expressive value of voting; the instrumental value of \( pB \) is approximately zero, and an individual votes if and only if the expressive value of the act exceeds its cost. The expressive theory holds that there is almost never a causal connection between an individual’s vote and the associated electoral outcome; that expressive considerations disproportionately influence the ballot in comparison to the market; and that a divergence
between individuals’ expressive preferences and their instrumental preferences perversely distorts the aggregate outcome.

Comparing Market and Ballot. The expressivists (Brennan and Lomasky 1993, 20) compare exchange in the market to voting in a democracy. Their analysis is intended to show that in market exchange there is a causal connection between choice and outcome, but in democratic voting there is not; that exchange is disciplined by opportunity cost but voting is not; and that market choice is primarily instrumental but voting choice is almost purely expressive. For economists, whatever an individual actually chooses is, by definition, rational, so long as preferences are consistently rank-ordered. An individual is assumed to have full information, to enjoy costless deliberation, to make no mistakes, to suffer from no weakness of the will, and to be free of systematically biased judgments. The economic actor is a unitary individual, or a unitary collective such as the business firm, rational by assumption. The consistent choices of such an actor in a market are rational, setting up one side of the market:ballot comparison. Public choice theory initially made its mark by analogizing voters to consumers, and by applying the tools of economics to political questions. The enterprise is fruitful to an extent, but the analogy is far from perfect. When a citizen votes for health insurance for all children, she does not choose that outcome in the same way as she chooses an Orange Mocha Frappuccino Blended Coffee at Starbucks. Rather, I would say, she contributes to a collective decision. The expressivists emphasize the disanalogy, but analyze it differently.

The expressivists say that market choice is always pivotal, but voting choice is almost never pivotal, and this contrast grounds their judgment that voting is “pseudorational” (21). When I buy an Orange Mocha Frappuccino Blended Coffee my action is pivotal, I choose alternative a over alternative b. The final benefit of the choice is the net benefit of a (the benefit of the beverage minus its direct cost) minus the opportunity cost of a. The opportunity cost of a is the net benefit of the next best-
alternative \( b \) (the benefit of the next-best alternative minus its direct costs). If I fail to choose better \( a \), and instead choose worse \( b \), then my interests are set back. The consequence of being set back by choosing \( b \) disciplines me to choose \( a \). If I prefer the outcome of state health insurance for all children, when I vote for that alternative, call it \( a \), the final benefit is the net benefit of voting for it minus the net benefit of voting against it, call that \( b \). However, my vote is not pivotal to either choice, except in the one in a million or worse chance that my single vote changes a loser to a winner. Whether I vote for the insurance or against it the outcome is the same, thus if I fail to choose \( a \) and instead choose \( b \), my interests are not set back. Market exchange is disciplined by consequences, voting is not. Many people vote in elections even though they know that their vote is not pivotal, hence some other value must motivate their action. The expressivist holds that they vote almost entirely in order to express a preference for, say, state health insurance for all children. The expressivists also provisionally assume \( \textit{homo economicus} \), that both consumers and voters are instrumentally motivated by egoistic aims.

Say that an actor’s choice is motivated by both instrumental value and by a narrowly defined expressive value. The consumer instrumentally values possession and consumption of the Orange Mocha Frappuccino, and also perhaps values expressing a preference for it through the act of exchange. The voter’s valuation of state health insurance for all children is discounted by the minuscule chance of pivotality, say \( 1/1,000,000 \): instrumental value is nil and thus the value of expressing the preference for state health insurance for all children becomes supreme. Say that for individual \( i \), \( I_i^a \) is the \textit{instrumental} value of alternative \( a \), and \( E_i^a \) is its \textit{expressive} value. Then, in market choice, an individual chooses alternative \( a \) over alternative \( b \), if and only if:

\[
I_i^a + E_i^a \geq I_i^b + E_i^b
\]
Empirically, I surmise, the value of merely expressing a desire for a market good is usually quite small. A bit of caution here: by expressive value the expressivist means only the value of expressing a desire for the good, and nothing more. The otherwise expressive value of possessing, treasuring, flaunting the good, is outside the analysis (Brennan and Lomasky 1993, 34). To fairly make a comparison with voting by secret ballot, we would add the additional assumption that it is only the value of expressing to oneself a desire for the market good by exchanging for it, not expressing to others such a desire.

And, in voting choice, when $h$ is the minuscule chance of $i$ being pivotal to the outcome, an individual chooses $a$ over $b$ if and only if:

$$hE_A^i + U_A^i \geq hE_B^i + U_B^i$$

In market choice, instrumental value generally exceeds narrow expressive value, and in voting choice narrow expressive value almost completely dominates instrumental value. It is important to understand that the broad expressive values associated with realizing a particular public good would also be discounted by $h$; only narrow expressive value motivates the voter. An actor motivated by narrow expressive value is more emotional in her choices than an actor motivated by instrumental value, and it is possible that voters motivated by expressive interests in the aggregate would choose an outcome contrary to their instrumental interests. Thus, “preferences revealed in electoral settings do not possess the same normative authority as those revealed in the ideal market context” (Brennan and Lomasky 1993, 28).

*What is Expressive Value?* The expressivists’ main example of intrinsically valued preference revelation or expression of desire is cheering and booing of a football game. Cheering and booing declare which team the fan prefers to have win, although the fan does not cheer or boo as a means to bring about his team’s success. He desires to express a desire for its victory but does not choose its victory, the expressivists say. However, spectators of a live game do believe that their cheering and booing, although
neither individually pivotal towards victory nor perceptible towards advance, influences the team’s performance. Home advantage is an established phenomenon in sports science, although evidence is inconclusive that crowd support furthers it. A survey of English football fans, however, shows that they believe that crowd support is the most likely cause of home advantage. Moreover, 93% endorse the statement that “the more supportive the crowd, the better its team will play,” and 80% endorse the statement that “a quiet home crowd will discourage the home players” (Wolfson, Wakelin, and Lewis 2005). Such evidence, along with simple introspection, suggests that it is false that members of the audience do not intend to influence the outcome. Moreover, fans cheer not only final victory and loss, but each increment of the game’s progress; and they can cheer their losing team after it has lost (what does that have to do with expressing a desire for victory?). Fans cheer and boo a band’s musical performance, even though it has nothing to do with victory or loss in team competition. It’s somewhat an involuntary expression, difficult to suppress, like laughing. Cheering and booing though express approval and disapproval and are in some sense intended to motivate a performer in this and future performances; laughter is more involuntary and seems more remote from an intention to influence the performance. We cheer and boo games on radio and television even though the players cannot hear us, and we laugh at Seinfeld and Colbert even though they cannot hear our response: the mediated response is plainly parasitic on the live response, however.

Cheering a football game is not like voting, rather, it is like cheering a presidential debate or at a neighborhood election night party cheering the vote tally on the telly (doubly “expressive,” in that none of the candidates can hear our cheers, and all the votes are already cast). Voting is not like cheering a football team, rather, it is like playing on a football team. A player values the team winning the game, its losing by the smallest margin, and its winning by the largest margin. The pivotalist says it is only rational for an individual to play in a game if she will be pivotal to its victory; if the team
would lose, or would win by more than one point, then participation would be futile or redundant and hence instrumentally irrational. Since people do play on teams that lose or that win by more than one point, the pivotalist searches for an act-contingent value of playing: one plays because he is paid to play, or because he considers it a duty to play, or, as the expressivist would have it, because he wishes by playing to satisfy a desire to express a desire for victory. There is nothing irrational, however, about wanting to contribute instrumentally to a team’s tally, short of victory, or beyond it. Sports bookmakers take bets both on victory and on point spread, as do political prediction markets. For some, to play football is fun regardless of the score (although note that practice is usually not as fun as a real game), but I doubt that there are many who value the act of voting mostly because it’s fun (Table 1 reports that few find it “exciting”).

*Market vs. Ballot, or Individual Action vs. Collective Action?* The expressivists’ real contrast is not between market and ballot, but between action caused by one individual and action caused by an aggregate or collective of individuals. If I choose to buy a cup of fair trade coffee on the market, I pivotally obtain caffeine and sugar, but I do not in terms of the expressive theory pivotally bring about fair trade. A boycott or a “buycott” (buying a product to promote its ethical value) is an individual consumer action that is part of a larger collective action, subject to pivotality and perceptibility objections. A recent survey of American respondents by Zukin et al. (2006) shows that voting is the most frequent civic activity (51%), followed by deciding not to buy a product in protest (38%), next by buying a product in order to support a company (35%), then by trying to persuade others how to vote (33%). That some consumers are willing to pay more for fair-trade goods is shown in field experiments (Prasad et al, 2004; Hiscox and Smyth 2005). The expressivist would have to say that the fair-trade aspect of a coffee purchase is undisciplined by opportunity cost. That would mean that if the consumer learned that her brand of fair-trade coffee were fraudulent, she would continue to pay a higher price for it anyway, in order to express her support for
fair trade, since her act has almost no instrumental value. The contributory theory says that her contribution advances the goal of fair trade, and that if she learned it were fraudulent she would choose her next best alternative.

**Voting is Disciplined by Consequences.** Suppose each citizen values her contribution to advancement of a great public good, whether it is a program to eliminate basic poverty, avoidance of confiscatory taxation that would make the most disadvantaged worse off, or avoidance of a foolishly self-destructive war, and suppose that voters are those citizens for whom the benefit of advancing the public good exceeds the cost of voting. Such voters are disciplined by opportunity costs. The net mandate-and-winning-value of alternative \( a \) exceeds that of alternative \( b \). When that great public good declines due to ruinous policies then the voter is directly motivated to remedy the error by voting for better policies at the next election. The expressivists’ main point is that noninstrumental voters are not disciplined by outcomes, and that democratic choice is suspect compared to market choice for that reason. The pivotal model of voting implies not only rational ignorance, but also, say the expressivists, only an expressive value to voting. Moreover, that expressive value is determined by emotions, which could be benevolent, but could also be distorted by envy, malice, belligerence, narcissism, or frivolity. Systematically biasing emotions add up to the folly of crowds, not the wisdom of crowds. The contributory theory says that the citizen directly values the public good, and is thereby disciplined by consequences.

**Rational Irrationality.** Downs predicts that citizens would be rationally ignorant. Brennan predicts that the emotionalism of expressive voters could aggregate to collective outcomes far contrary to their instrumental interests. Caplan (2007, 137-140) considers his work complementary to Brennan’s. Expressive voters, says Caplan, care more about how policies sound than how they work, but know that the feel-good policies they favor are mistaken. In contrast, his rationally irrational voters don’t know that the policies they favor are mistaken (although they should). In emphasizing not only the
ignorance but also the irrationality of the democratic citizen he is truer to Schumpeter than is Downs. The basic idea is that people are more likely to discard false beliefs concerning practical pursuits like doing their job and driving their car, and are less likely to discard false beliefs concerning what he calls impractical pursuits like politics and religion. Irrational beliefs are probably found in all types of human activity, but are especially prominent in politics, he says (115). “If people are rational as consumers but irrational as voters,” he concludes, “it is a good idea to rely more on markets and less on politics” (114).

In one formulation, Caplan’s simple model of rational irrationality posits that an agent desires two goods: more egoistic material wealth and more irrationality (123). In another formulation, that same agent desires personal wealth and loyalty to her ideology (18). If the utility gain of holding a false belief (or of remaining loyal to the ideology that entails the false belief) is less than the utility loss of reduced wealth consequent to the holding of the belief, then he abandons the false belief. If the utility gain of holding a false belief is greater than the utility loss of reduced wealth consequent to the holding of the belief, then he holds on to the false belief (or remains loyal to the entailment of his ideology). Caplan observes that people with worldviews sometimes have motivated beliefs, that is, they wrongly let their desires influence their beliefs. He ascribes this to loyalty to one’s political ideology (17); pride (17); the passions of comfort, flattery, or excitement (116); beliefs that make us feel better about ourselves (116); the need of esteeming oneself and one’s worldview and despising others (116); liking to believe that one is right (117); the desire for hope and illusion (118); wishing to believe (118); and active avoidance of truth (123). The general idea, I think, is that for someone with a worldview hot emotion distorts cold cognition. The emotional attachment to the worldview causes the agent to wrongly believe as true something he would rightly believe as false in the absence of the emotion.
Caplan appeals to a 1996 survey which shows that the opinions of ordinary Americans on the economy differ somewhat from the opinions of economists, concludes that ordinary Americans hold irrational beliefs about the economy, and that their defective economic worldview resembles that of religious believers (19). Neither the survey technique nor the comparison to experts is cognitively charitable. You are at home thinking of your mother’s hospitalization and making a grocery list when a surveyor telephones, and asks you to evaluate 137 statements about the American economy all in one quick phone call. Your answers are compared to those of an employed Ph.D. economist, who thinks about these issues almost every day. Even still, in 18 out of 37 issues considered in Caplan’s comparison, popular and expert opinion point in the same direction. In about 11 questions where opinion points in opposite directions there is a severe framing effect. First, for example, respondents are told, here is a list of reasons, having to do with businesses, that some people have given about why the economy isn’t doing better than it is. Seven reasons follow. All of them are endorsed by ordinary respondents, but only two of them are endorsed by economists. The question frame invites a hurried nonexpert to endorse all the statements. Second, many of the statements are true even if according to economists they have nothing to do with economic health: technology is displacing workers, companies are sending jobs overseas, and companies are downsizing. When asked separately whether technological change, outsourcing, and downsizing are good in the long-run (of 20 years), on average ordinary Americans, consistent with economic theory, think it to the good, just not as confidently as do the economists. Some are downright trick questions: has family income for average Americans kept pace with the cost of living? Ordinary Americans say no, economists say yes. Individual income can go down as family income goes up if more family members enter the economy, as they have; income is a superset of wages; and if inequality increases, then mean income can go up as median income goes down. Both ordinary Americans and economists endorsed other statements that inequality has
increased, that average individual wages are lower, and that a family needs two full-time wage earners.

The pivotal voter model, premised on the assumption that voters only value their own private good and not the public good, and on the assumption that voters value only the winning aspect of voting and not the mandate aspect of voting, concludes that the instrumental consequences of any individual vote are approximately zero. If the pivotal-voter model were true, then the rational-irrationality model would predict that false beliefs about issues decided by democratic voting would almost never face the test of consequence. Thus, voters would almost never discard false beliefs about democratic issues. “Voters’ lack of decisiveness changes everything….Shoppers have incentives to be rational. Voters do not” (Caplan 2007, 140). Shoppers’ choices do face the test of consequence, according to Caplan (negative externalities of a shopper’s choice, such as an SUV endangering smaller cars, would not constrain an egoistic shopper, I’m sure Caplan would agree). Hence, decisions should be removed from the forum to the market.

Caplan does not say so, but if the logic were correct, then a similar abundance of false beliefs would be associated with any human collective action involving more than a few people, including the pursuit of policies that would replace democracy with market exchange. Is it true that people in pursuit of individual goals have fewer false beliefs than people in pursuit of collective goals? Do javelin throwers have fewer false beliefs about the javelin throw than American baseball players have about playing the game of baseball? Do sole proprietorships outperform partnerships, and partnerships corporations?

If humans value only material wealth, irrationality, and the tradeoffs between them, then Caplan’s model is indisputable. If, however, the contributory-voter model were more accurate, such that many voters care about advancing a great public good, then Caplan’s irrationality model would find instead that false beliefs relating to democratic decisions would encounter the test of consequence, and hence, to some extent
would be discarded, just as in individual consumer action. People in pursuit of individual
goals would not necessarily have fewer false beliefs than people in pursuit of collective
goals. Baseball players would have roughly the same degree of true belief about the
game of baseball as javelin throwers would have about javelin throw. Caplan is one of
the few in rational choice theory to recognize and acknowledge the robust empirical
findings that voters tend not to vote their self-interest but rather vote for what they
believe to be in the general interest of the nation (19). Thus, it is a surprise that his
account of the ignorance and irrationality of voters depends entirely on the assumption
that they are egoists: “Voter ignorance is a product of natural human selfishness” (5, see
also 17, 102, for similar statements). The assumption that voters are naturally selfish
contradicts the fact that they are known to vote for the general interest.

He contrasts practical action, disciplined by consequences (“how many people
believe they can catch bullets in their teeth?”, 137), with impractical action, such as
politics and religion, which are not. In response, first, consider supposedly impractical
politics. I say that the citizen does suffer the consequences of bad government:
depression, unemployment, corrupt officials, military draft, uninsured medical crisis,
confiscatory regulation, air pollution, you name it. One does not need practical
experience with fascism or communism in order to disfavor such alternatives. But the
citizen would be irrational to act on any of these problems of collective action, or even to
think about them, according to the rational ignorance conception.

From Schumpeter to Caplan, economists argue that voters are not motivated by
political consequences to vote and to learn about issues that could come to a vote. Rather
than an enlightenment doctrine of reason, the Schumpeterian literature seems more like a
revival of peasant suspicion and fatalism, with all the illiberal consequences bound to
follow from wider adoption of such attitudes. By the contributory account, it’s rational
for me to advance the challenge against such fatalism, but by the pivotalist account,
because a successful defense requires sustained collective action, it is irrational for any one egoist to waste time on it.

Second, consider supposedly impractical religion. The adherent of a religion is likely to consider it quite practical, perhaps providing her a way to eternal life, and certainly providing her guidance in right action, both for its own sake and for its consequences for self and others. It may be objected that the faithful’s calculation is premised on believed consequences of action, but the same is true in the “practical” realm: individuals act not in anticipation of actual consequences but rather in anticipation of believed consequences, and such beliefs can be fatally mistaken. Here is an example. Some people do believe they are immune from bullets, and they do suffer the consequences of their false beliefs. In the Maji Maji war of 1905-1907, by locals in what is now Tanzania against German colonialists, the locals believed that water talismans would protect them from harm by turning bullets into water. Maji is Swahili for water, and a similar belief that properly applied water talismans provide immunity from bullets, grenades and rockets is also found among Mayi Mayi rebel warrior bands in today’s Congo (Jourdan, n.d.). This is no isolated anomaly, but a startlingly false belief stable across hundreds of miles of territory and a hundred years of known duration. As one might guess, apparent falsifications of the belief are easily accounted for. If one breaks any of the rules, the charm won’t work. These are the rules in one locality, according to a first-hand report: one must scream mayi-mayi as one fights, not steal, not look at blood, not wash and use soap, not eat manioc leaves, not eat foods cooked with peel, not eat bones, and not have sexual intercourse. The rules, especially the last one, are impossible to satisfy. The Maji Maji suffer not from a false belief in isolation, but from an inadequately predictive worldview. The economic theory of knowledge, by considering a belief in isolation from other attitudes, commits what I call the analytic fallacy. Beliefs and desires are not falsified or devalued one by one; instead they are located within networks of attitudes, or call them worldviews, which themselves are
evaluated holistically one against another by how coherent each is in accounting for the variety of beliefs and desires.

This is not to say that one worldview is as good as another, far from it. Some are much better than others at prediction, for example. Some are hypercoherent, too strongly linking a variety of attitudes into a single principle; adherents follow them faithfully but too many anomalies accumulate and deconversion quickly occurs, as seen in the rapid turnover of membership in Leninist and Randian groups. The Maji Maji accept that water talismans make their wearer immune to bullets, and tests showing otherwise are rationally explained away. Someone of my background infers immediately, with no effort or opportunity cost, that the talisman claim is implausible, and there is no need to test empirically the instantaneous judgment. The economic theory of knowledge acquisition does not account for this variety of knowledge.

Why would people sometimes appear to value beliefs they should know to be false? Caplan is alert to the fact that irrationality is selective. His theory is that for one who holds a worldview hot passion distorts cold cognition, and that the irrationality is outright. I offer the sketch of an alternative theory, which claims both to better preserve rationality and to be more true to reality.

He provides examples of motivated beliefs in three religions and in Stalinism. I would like to add a fifth and perhaps more powerful secular example of the phenomenon. According to Murray Rothbard (1972),

The all-encompassing nature of the Randian line may be illustrated by an incident that occurred to a friend of mine who once asked a leading Randian if he disagreed with the movement’s position on any conceivable subject. After several minutes of hard thought, the Randian replied: "Well, I can’t quite understand their position on smoking." Astonished that the Rand cult had any position on smoking, my friend pressed on: "They have a position on smoking? What is it?" The Randian replied
that smoking, according to the cult, was a moral obligation…. The official justification for making smoking a moral obligation was a sentence in *Atlas* where the heroine refers to a lit cigarette as symbolizing a fire in the mind, the fire of creative ideas…. One suspects that the actual reason, as in so many other parts of Randian theory, from Rachmaninoff to Victor Hugo to tap dancing, was that Rand simply liked smoking and had the need to cast about for a philosophical system that would make her personal whims not only moral but also a moral obligation incumbent upon everyone who desires to be rational.

Caplan cites Rand as an authority on avoiding rational irrationality. She “calls it ‘blanking out’: ‘the willful suspension of one’s consciousness, the refusal to think – not blindness, but the refusal to see; not ignorance, but the refusal to know’” (14-15). I can testify from personal experience that it’s easier to spot the inconsistencies in another’s worldview than in one’s own.

Human judgment does not and can not proceed from the repeated aggregation of thousands of atomistic evaluations (see Mackie 2006). Individuals and groups seek radical shortcuts, among them tacit or express theories which conveniently relate holistically and summarize those thousands of atoms. Social scientists, for example, don’t just list data, rather, they seek the simplest useful theory capable of explaining the data. Individuals aspire to coherent moral codes. A prevailing theory is unique if constrained by observations that are multitudinous, less ambiguous, and less inconsistent. Ordinary perception, walking into the yard in the daylight and seeing a tree, is strongly constrained by observations. Wittgenstein’s duck-rabbit, or the Necker Cube, where perception flips back and forth from one conclusion to the other, permits two theories consistent with the observations. A multitude of observations permits the unique
conclusion that the earth circles the sun. At one point in our history, observations were fewer, and permitted for a time two coherent theories, the Ptolemaic and the Copernican.

Textbook physical science, not on the frontiers of investigation, pretty much settles on one theory coherent with the observations. Even so, anomalous observations crop up, and as they accumulate, one theory can displace another. Social science and social policy are built on fewer, more ambiguous, less consistent observations; and, as with the duck-rabbit, although many theories and policies are unacceptable because not coherent with the observations, it may be that more than one is acceptable because each of them is coherent with observations. Unaccepted theories are almost inaudible, but the clash of the few acceptable theories is noisily conspicuous. When observational constraints are strong, a consensus theory prevails. When constraints are weaker several theories are rationally acceptable, such as left and right in American electoral politics, or in political philosophy the several liberal theories of justice.

Why would a Jain, or a Muslim, or a Hindu, or a Stalinist, or a Randian hold on to a belief, that in isolation, seems to be unsupported? For the same reason that an established scientific theory would dismiss as suspect an observation inconsistent with the theory. The apparently false belief is supported by connections to other attitudes more confidently held. A worldview is the ultimate heuristic. A worldview is generally useful, but none can be universally useful, each encounters anomalies, some far more than others.

Why would an individual remain loyal to what an outsider would consider a weakly predictive worldview? In the rational-choice spirit, we should consider the counterfactual: someone would choose a weakly predictive worldview in order to avoid some worse choice. What would be worse? To have no worldview at all, to confront a random onslaught of isolated facts and valuations with no relations amongst them, each requiring costly independent assessments. One would not give up a weakly predictive worldview for a nonpredictive lack of a worldview. One would only give up a weakly
predictive worldview only for the sake of a more strongly predictive one. Moreover, the choices are analogous to a coordination game with ranked equilibria (Mackie 1996). In Sweden, the convention was to drive on the left, but that arbitrary convention became an inferior one as traffic increased with right-driving continental Europe. Individual Swedes could not change from left to right on their own, because of the interdependence of their choices. In the absence of a coordinated convention shift, the Swedes would be stuck (as the British are to this day) in the inferior convention. A weakly predictive worldview, made up of an interdependent network of attitudes, cannot be given up one attitude at a time. Many of its interdependent elements must be challenged together, and many of the interdependent elements of the more strongly predictive worldview must be appreciated together, before a shift in worldview is possible.

Cognition and affect are always intermingled. Emotion is as much the handmaiden of reason as reason is of emotion. Quiet background emotions direct attention during daily routines, an emotion of interest motivates general exploration, and disruptive emotions (the affect program theory, see Kovach and de Lancey, 2005) such as surprise, anger, fear, disgust, sadness, joy, lust, and agapic care focus the individual on issues potentially crucial to survival and reproduction.

Consider the phenomenology of truth and error. When someone aggressively denies something you know to be true, anger can result. Long ago I was on the Oregon coast watching the winter sunset with a group of friends. I said that the wind-twisted shore pine around us was the same species as the straight lodgepole pine, traditionally used for teepee poles, we had seen the previous Spring in Montana. My friend Gino stubbornly disagreed, but he was totally wrong, and I still remember my frustration with him 30 years on. I never performed genetic tests to determine the truth of the identity, rather I relied on a worldview that for a web of reasons assigns high credence to the testimony of botanists. When working on a difficult paper one constantly strives for correctness, but in revision after revision one finds errors, and one feels sorrow and
shame upon uncovering them. Such hot emotions are associated with being actually right or wrong, not just with being mistakenly right or wrong. Affect may be appropriate or inappropriate. Passion about an entire worldview, and dismissal of isolated threats to it, is rational given the alternative of no worldview.

Biased assimilation is a variety of motivated belief discussed in political science. People evaluate new evidence in light of their prior convictions, and are more likely to accept evidence in agreement with their views and reject evidence which is not. Gerber and Green (1999) discuss how these phenomena can be consistent with rational Bayesian updating. If one receives 10 pieces of evidence in support of a proposition, an 11th against it would make very little difference. That is considering a single belief in isolation. As I have said, a belief can be even more embedded by its interdependence with other beliefs and desires in a much larger attitude network. Considering the single belief in isolation, it may appear to be irrationally persistent, but considered within its network it is rational to persist in it.

**Conclusion.** The folly of crowds is a standard theme in an antidemocratic discourse of at least 2400 years’ duration (Roberts 1994), stated ever more desperately in the folly of crowds literature at the turn of the 20th century as mass representative democracy became a reality. A line runs from LeBon to Schumpeter to Downs to Brennan to Caplan, and Caplan (2007, 19) quotes approvingly from LeBon, for instance, “The masses have never thirsted after truth. They turn aside from evidence that is not to their taste, preferring to deify error, if error seduce them.” The aristocratic economist Schumpeter extended the contrast of competent aristocrat against incompetent commoners to competent market against incompetent democracy. The pivotal model of voting, mistaken from its inception, nevertheless implied the academically popular and ostensibly scientific concept of rational ignorance. The pivotal model and rational ignorance in turn birthed the expressive model of voting and its emotionally irresponsible citizens, and then the purely irrational citizen of Caplan’s. I have tried to take out the
tree at its roots, by challenging the pivotal model of voting and then working through the implications.

I wish citizens were better informed, but we do live in a representative democracy, and they have better things to do with their time. The economic theories of democracy often model modern political democracy as if it were direct rather than representative in nature. This error raises citizen competence requirements to a superhuman level. Standard arguments about division of labor, principal-agent delegation, and competitive elections account for campaign discourse, parties, legislatures, and bureaucracies as information-improving devices.

Citizens know enough to make good enough decisions, I argue, and that knowledge combined with the institutions of representative democracy promotes outcomes better for most than would rule by experts or unregulated market exchange.
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