Public Choice

Applying economic reasoning to political decisions.

Economics

Concepts and implications.

Concepts

- Rational ignorance among voters
- Concentrated benefits, dispersed costs
- Rent-seeking by organised interests
- Regulatory capture by the regulated
- Electoral cycles in policy timing

Implications

- Market failure does not guarantee good intervention
- Institutional design matters as much as policy
- Transparency changes incentives
- Independent bodies for some decisions

> Government failure is a real category, not a rhetorical one. Comparing an imperfect market to an idealised state is the error.