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Individually-Rational Collective Choice under Random Preferences

Working Paper No. 232 Keep in mind
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In this paper I consider the following problem: there is a collection of exogenously given socially feasible sets, and for each one of them, each one of a group of individuals chooses from an individually feasible set. The fact that the product of the individually feasible sets is larger than the socially feasible set notwithstanding, there arises no conflict between individuals. Assuming that individual preferences are random, I here characterize collective choices in terms of the way in which individual preferences must co-vary in order to explain them. I do this by combining standard revealed preference theory and its counterpart under random preferences. I also argue that there exist collective choices that cannot be rationalized, and hence that the individual rationality assumption can be refuted.

Fuente: https://www.banrep.gov.co/en/borrador-232