### Bernard Cazes

# WHAT IS A RATIONAL CHOICE?

"One can hardly judge the honesty and beauty of an action by its utility."

Montaigne, Essays, III, 1.

"Those who choose well are those who have the right spirit; those who take the bad part are those who have the false spirit; this is the first and the most important difference which one can put among the qualities of the spirit of men."

La Logique de Port-Royal, First part.

For some years, much effort has been deployed in several countries to put at the disposition of the responsible authorities a presentation as explicit as possible of the costs and advantages which would proceed from the different courses of action among which they have to choose. In the United States this is called "Planning-Programming-Budgeting System" (or PPBS), in France "Rationalisation des Choix Budgétaires" (or RCB), in England "Output Budgeting". The range of application of these new methods is of varying extension: sometimes it is a matter of piecemeal improvement about a given and dated decision, for example, the creation of a new subway line in the Parisian region, or a system of mass rapid transport in the North-

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East corridor of the United States; sometimes it is the whole daily functioning of the process of decision-making in regards to the budget which one tries to make more rational. But in both cases, the spirit is the same. What one wants is:

- —to identify the desired ends and group together administrative activities according to the role which they play in the pursuit of these ends;
- —to show the future consequences of the decisions to be taken;
  - —to check all costs which these decisions would involve;
- —to compare the many possible solutions from the angle of their respective benefits and costs, and to bring out that in which the ratio between benefits and costs is the highest.

Such a way of reasoning preparatory to the decision seems therefore of a nature to integrate in one step three considerations which, although interdependent, are rarely taken into account in a conjoint fashion: to know the needs (or that which it is "necessary" to do), the resources (that which one "can" do), and the effectiveness of the latter in connection with the former.

The difficulty begins from the moment in which it becomes a question of specifying how general one must be in order to specify the goals which public power assigns to itself. Here two schools come into conflict. The first, basically rather reticent about the possibilities of rationalizing collective choices in depth, believes that the reference to grand, very general goals (or to the "objectives of the Nation") only manages to line up pious intentions without leading to practical results, or brings out in a crude way the disaccords between antagonistic systems of values, while a debate that limits itself to resources allows for the emergence of a "consensus," perhaps hypocritical, but workable. The others think, on the contrary, that it is impossible to avoid a discussion on collective goals, because one cannot rationalize a decision if one does not know what its object is. This second school would be basically convinced enough to make its own the advice that Aristotle gave when he insisted that one should force oneself to identify "the end which we want for itself, while other ends are only sought after in terms of this same first end," so that, "like archers who have before their eyes the goal to be attained, we would have chances to discover what would be best to do" (Nicomachean Ethics, I, 2). Said

another way, he who decides can only hope to reach a correct choice if the comparisons which he makes take place at a high enough level; lacking which, he runs the risk of "sub-optimizing," as the theoreticians say, that is, trying to find effective means to accomplish what he should not do.<sup>1</sup>

These two positions each contain a part of the truth. It is true that the level of ultimate values offers favorable ground for a rhetorical manipulation of goals to justify completely opposed public policies. It is also true that there are no verifiable scientific criteria for the exhaustive numbering and ordering of goals<sup>2</sup> and that resorting to the language of ends (or goals) encourages unresolvable conflicts by making all compromises seem dishonorable. Nevertheless it is necessary to recognize that this last disadvantage is not specific to the approach through goals, but that it characterizes all methods of choice which put the accent on results of public actions and not only on their costs—to such a point that American political theorists of the Lindblom school reproach PPBS for leading to a method of decision productive of useless frictions, in the degree to which it seeks to bring about an explicit consensus on final objectives instead of being satisfied with bargaining at the level of means.

It is no less exact, in the opposite sense, that a certain form of reference to ends is necessary in order that political activity does not become pure activism and an end in itself.<sup>3</sup> This reference, besides, corresponds to the profound logic of all methods of rationalization of choices which leads those who refer to them not to accept that the "objective" is an obvious thing which it

<sup>&</sup>lt;sup>1</sup> To take a simple example, to "sub-optimize" consists of choosing the most effective method to learn a profession which in a short time will no longer be practised.

<sup>&</sup>lt;sup>2</sup> "It would be very pleasant for man to set up an ordered table of values. Historic or individual conflicts, which all bear on questions of precedence, would be resolved, at least on paper, which is not to be overlooked. Unfortunately almost anybody is in agreement on the extreme difficulty of establishing such a hierarchy, or order, and many doubt that the question of hierarchy has a sense," R. Ruyer, *Le Monde des valeurs* (Aubier, 1948), p. 103.

<sup>&</sup>lt;sup>3</sup> Ends are not the objectives of political activity, justly wrote Julien Freund, but "they order activity, orient it, and give it meaning. They give it a systematic character, a unity of vision so that political operations are no longer simply an aggregate of actions at the service of the single specific end of politics, but also at the service of man." (Qu'est-ce que la politique?, Le Seuil, p. 101).

is not necessary to examine; it puts them on guard against the illusion which consists in believing that the only difficulty raised by rational action is that of the selection of the most economic means *vis-à-vis* an end defined in advance.

The problem thus seems to be to find an approach which acknowledges the existence of a "top" in the hierarchy of actions and puts the objectives situated below, at their proper place, while remaining aware of the preceding warnings.

A solution sometimes proposed is to define final ends (*finalités*) as dateless goals, continuously sought after and never completely attained—as opposed to more or less long-term objectives of which one can determine in advance, or at least immediately thereafter, the date on which they have been realized.

This approach brings us to a fundamental distinction, and a quite valid one, between what one could call the permanent and nontemporal aspiration and its embodiment in objectives. Nevertheless one can point out that it simplifies excessively the subtle relation which exists between ends and objectives, and that it omits certain important dimensions of the concept of final ends, that is, the political dimension and the ethical dimension.

To introduce a reference to ends in the dialogue between counsellors and the Prince, or in a more modern language between analysts and decision-maker is an operation which actually goes beyond the distinction necessary to operate among the permanent goals of action and the concrete purposes to which it addresses itself. In other words it does not consist simply in separating the growth of real income, equality of opportunities and the betterment of physical environment in general, and the more or less substantial five-yearly increments which one decides to obtain during a certain period. For if one can go without discontinuity from final ends to quantified and dated objectives. therefore the former and the latter are of the same nature, whereas the concept of final ends has precisely as its function to put the objectives at their proper place and make of them the "means" among which one can choose in order to attain a certain end. The elementary rule of heterogeneity between end and means thus finds itself violated.

In addition, it is necessary to be well aware that one cannot speak of final ends while abstracting oneself from the origin of that "way of speaking." The expert in effectiveness is naturally enough tempted as far as this is concerned to employ his language as if it were the only one conceivable, while in reality it coexists with two other languages.

First of all a language which we will call political. Whatever are the ideological and institutional differences among the Nation-states, there is, to go back again to the model elaborated by J. Freund, a specific end of politics, which is the preservation of external security and internal concord. This end is specific because if peace would reign spontaneously among nations, and if man would cease being an enemy to man, politics would lose all reason for being and would be replaced by the administration of things which is something the expert usually thinks of when he speaks of final ends. It is in reference, explicitly or implicitly, to this double end that one makes the choice among concrete targets, which explains that one could have a conflict, on the one hand between political and moral criteria (or scientific criteria: see the condemnation of Mendelian genetics in the USSR), and on the other hand between these same criteria and considerations of effectiveness in proportion to the existence of clearly political costs which elude calculation4 without on the other hand reflecting necessarily some simple short-term electoral considerations: this conflict simply translates the difficulty of establishing a priori a verifiable relationship between the political goals and the concrete objectives (whence, we note in passing, the reassuring character which the Saint-simonian transition from the government of men to the administration of things takes on, a stage at which the uncertainty concerning the relation between abstract goals and concrete objectives would tend toward zero).

In the second place there is the language of pure values, which although very far from the world of planning (although some people have wanted to see an ethical significance in the logic

<sup>&</sup>lt;sup>4</sup> See for example an article by James R. Schlesinger, "Systems Analysis and the Political Process" (Journal of Law and Economics, vol. XI, 1968), and that of A. Wildawski, "The Political Economy of Efficiency" (Public Administration Review, December 1966), which gives as examples of "political costs" the loss of support of an important political group or the risk of not being reelected. Let us note that there is an assumption underlying this separation between politics and expert knowledge, which is that the mastery of the policy sciences is not the absolute weapon in the political arena: the "generalist" will not replace the general even if he is a better systems analyst...

of the French plan) cannot be overlooked since a certain dose of not objectively founded conviction could be necessary in order to progress; moreover the motivating force of the action is found sometimes in a certain conception of the "ought to be" and not only in a strong probability of adequacy between a policy and an objectively measurable benefit.

This reminder of the coexistence of three languages underlying the concept of final ends, was intended as a reminder of their heterogeneity, and thus to avoid as much as possible equivocations. The analyst or the planner is not a "clerk" in the sense given by Julien Benda, any more than he is invested with political responsibility. He must therefore remember that the ultimate values—scientific truth, equality, justice, human dignity, etc. can neither be put in a hierarchic order nor even exhaustively enumerated; that they do not keep always or even frequently verifiable relations with the concrete targets that can be derived from them, and finally that by definition all arbitration between concurrent goals is inconceivable; at this level a compromise between scientific truth (or more concretely, basic research) and equality (for example, social transfers) is unthinkable, since any comparison would imply the reference to a standard of common value, and therefore ends up denying the absolute character of certain ends—those which would not have been kept as criteria. For the analyst or the planner there are no final goals, but mundane goals that need to be continuously redefined. Basic research, for example, is not in his eyes an absolute necessity which it would be sacrilege to disregard, but a problem which it would be troublesome to solve badly, due to risks of "brain drain," loss of national prestige, of unfavorable long-term repercussions on applied research, etc. That is, for reasons tied both to political considerations and to considerations of effectiveness (otherwise said, objectives being what they are, a public policy which did not place enough emphasis on basic research would have strong risks of not being optimal from the point of view of tangible costs and benefits).

This is in effect the true field of application of methods aimed at introducing more rationality in collective choices, according to a process in which one can discern the following steps:

1. One has, in the first place, to connect the actions of the various administrative entities to the principal collective function it contributes to accomplish, while pointing out the secondary relationships between these actions and other functions.

- 2. One determines afterwards the goals proper to each function and consequently the tangible results (whether they are described in global terms or broken down by groups of beneficiaries) that each administrative entity can seek to accomplish so that the function will be correctly filled.
- 3. The fact of obtaining results presupposes the operation of a certain number of activities which are either assumed directly by an administrative entity, or exercised by other public or private entities, on which the former can at best act in an indirect fashion.
- 4. One must, finally, define each of these activities by output indicators of which the monetary cost can be determined and of which the non-tangible costs (costs of coercion or persuasion) lend themselves to description, if not to measurement.

For instance, if one considers a collective function such as "Physical Health" one of the goals of this function clearly appears to be "assuring the cure of curable diseases." To attain this end, four activities must be put into play to varying degrees: delivery of personal services, therefore performance of medical and paramedical acts; use of physical facilities; delivery of consumable items, medical or others; distribution of financial (or non-financial) transfers to compensate for the stoppage of work if it concerns an active person.

In this paper I will stick to the two first phases, which are the most directly connected with politics in the highest sense of the term, and I will try to show some of the problems which are met when one tries to state precisely "what one wants exactly"—which precision is indispensable as long as rationalizing an action is to identify what one is trying to reach in order to later choose among the various conceivable alternatives the one which gives satisfaction at lowest cost.

Before going on, let me stress that I am dealing with objectively verifiable benefits, which one tries to apprehend through the quantitative methods of analysis provided by social science. The concepts representative of these benefits can therefore be used to describe a situation and to identify the aims of any policy trying to improve this situation—which presupposes, let it be said in passing, that these concepts must be "final" and not

"instrumental," and that they get a fairly large consensus on their normative character.

Practically, my experience has shown me that any effort to conceptualize in a coherent way the goals of any social unit in order to make its policy more effective would hit upon a difficulty of an apparently purely formal character, but which is not unrelated to some basic questions: 6 must one look for a high number of general aims, or reformulate them, on the contrary, through a small number of homogeneous categories?

1. If one adopts the first approach, the choice of general goals is not totally arbitrary. It is governed either by the number of aspects of the society which one has been able to characterize with the help of *social indicators*, or by the homogeneous areas among which public action will be subdivided.

A social indicator is a quantitative expression of a concept which describes in a synthetic manner the situation of a sector of society, and is endowed with a normative character, which is to say that it expresses some dimension of the well being of this society (otherwise said, the variation of social indicators must reflect a progress or a regression). Its object is dual. It serves in the first place as a warning signal to public policy makers in showing them some problems that the more conventional statistics risk leaving in the shadow. It is clear for instance that the number of housing units built or the size of the current stock of housing only shows very imperfectly their adequacy vis à vis the various functions which one can expect from a shelter, that is to say the simultaneous possibility of self-protection against the physical and social environment, and possibility of interacting with that same environment.8 In the second place social indicators provide an indispensable means of cross-checking in order to assess the effectiveness of a public policy because they

<sup>&</sup>lt;sup>5</sup> A point which I have treated in "Les fins et les moyens," Critique, April 1969.

<sup>&</sup>lt;sup>6</sup> This is nothing less than the problem of the aggregation and the balancing of heterogeneous ends...

<sup>&</sup>lt;sup>7</sup> Cf. M. Olson, "Rapport social, indicateurs sociaux, comptes sociaux," *Analyse et Prévision*, February 1969, and B. Cazes, "Vers une nouvelle arithmétique sociale," *Le Figaro*, March 30-31, 1969.

<sup>&</sup>lt;sup>8</sup> H. Perloff made some interesting proposals on that subject in his article "A Framework for dealing with the Urban Environment," in H. Perloff, ed., The Quality of the Urban Environment, Johns Hopkins Press, 1969.

are an incentive to look for the relationships which can exist between this policy and the change in the indicators (a problem analogous to that of identifying factors contributing to economic growth). This search will be moreover all the more instructive if one is able to correlate many social indicators: if one takes the rate of unemployment, conventionally considered "economical," but the meaning of which is obviously much larger, it is useful to examine it in relation to an indicator of social mobility, of poverty, of delinquency, etc. ...

The development of indicators in an experimental fashion has begun in the United States,9 in Great Britain, and in France with the preparation of our VIth Economic and Social Development Plan (1971-1975). It is certain that this new guise of what Condorcet called social mathematics will develop considerably because it corresponds to an authentic need. But one must be at the same time conscious of difficulties which one will meet on the way. In the first place, the change of an indicator is not only due to public policies, but results from the combined influence of such policies plus the actions taken by business and the individuals, with the result that there is a real risk of manipulation of social indicators (of which national accounts aggregates give us an illustration) where the government takes all the credit for positive changes, and its opponents place on it all the responsibility for negative changes... The other difficulty is at the same time technical and political. It bases itself on the fact that those states of society which one tries to measure are not necessarily evident. Even a problem apparently easy to encompass like alcoholism, shows itself, through experience, hard to define: as C.W. Churchman has shown, the definition held fixes the limits of the mission assigned to those programs responsible for the reduction of alcoholism, since it must allow for the identification of the benefits and inconveniences characteristic of the analyzed

<sup>&</sup>lt;sup>9</sup> The pioneer work is that edited by R. Bauer, Social Indicators (M.I.T. Press), to which must be added besides the references of note 7; B. Gross, The State of the Nation (Tavistock); the two numbers of Annals of the Academy of Political and Social Sciences, May and September 1967, the hearings held by Senator Mondale on his project to create a social accounts system (U.S. Government Printing Office) and the report of the Department of Health, Education and Welfare, Toward a Social Report (U.S. Government Printing Office, 1969).

situation. All the more, every attempt at defining what is "health" or "a crime" is due to arouse controversies without end, not only among experts, but among divergent conceptions of the "good society." For those who challenge what they call the primacy of technical rationality and of economic development, any social indicator is, a priori, distorted, and any search for a rational policy will confuse symptoms and causes. To this one can answer that the societies of today only give importance to their problems in the degree to which they are measurable: to refuse such a rule of the game in the name of a qualitative outlook would be to deprive oneself of all possibility of reducing the secular divergence that exists between intentions and results, and to put one's hopes in obscurantism.

The parallel approach consists of elaborating, starting from a systematic listing of the areas of public action (or of collective functions), a nomenclature of general goals having a certain final or ultimate character. This work is necessary in any event if one wants to eliminate the vagaries of formal frontiers between agencies and manage to find out "who does what." Thus I have submitted to some "Commissions de modernisation" of the VIth Plan, a tentative list of nine collective domestic (that is, excluding collective functions dealing with foreign problems: security, aid...) functions: physical health, mental health, education, cultural development, work, home and community environment, leisure, transportation, personal safety.

But so doing, one meets immediately with the problem of social indicators if one wants to avoid assigning to each function some purely instrumental quantitative objectives (e.g.: number of physicians or of hospital beds). Otherwise said, the various collective functions require a set of indicators which clarify the way in which the function is filled area by area. It is however clear that it is easier to group public activities with the same purposes than to develop significant indicators for each area. It is illuminating in this regard to go back to the field covered by *Toward a Social Report* in matters of social indicators, and to the list of *program areas* elaborated for State and local autho-

<sup>&</sup>lt;sup>10</sup> See his demonstration in *The Public Administration Review*, March-April 1969, p. 181.

rities in the USA by Harry Hatry, 11 since one immediately perceives the discrepancies to which researches conducted separately and from different standpoints lead.

# Program Areas

Chapters of the project of "Social Report"

1. Personal safety

Public order and Safety Health and Illness 2. Physical and mental health

3. Intellectual and cultural development

Learning, Science and Art

4. Satisfactory home and community environment

Physical Environment

5. Economic satisfaction and work opportunity

Income and Poverty

6. Satisfactory leisure-time opportunities

Nil

7. Transportation-communication-location

(treated in "Physical Environment")

Nil

Social mobility

N.B. The two "nils" mentioned point out two concrete problems which are brought up by the rationalization of public choices. As concerns leisure, obviously public officials have to take decisions in that area (for sporting equipment, parks, etc. ...) but the analysts are scarcely able to develop indicators of the "pleasurableness" of the opportunities provided, if only because of the non-utilitarian character of the activities concerned. For social mobility, the difficulty is, one might say, inverse: the sociologists can measure it,12 but no public agency has any policy responsibility in that respect.

2. The alternative approach consists in setting down only two or three very general goals from which the cycle begins: ends, measured and dated objectives, programs of action. But it is open to several interpretations.

<sup>&</sup>quot; Criteria for Evaluation in Planning State and Local Programs (U.S. Government Printing Office, 1967).

<sup>&</sup>lt;sup>12</sup> Cf. for example D. Bertaux, "Sur l'analyse des tables de mobilité sociale," Revue Française de Sociologie, October-December 1969.

a) In a first case, what is intended is to develop a concise formulation of ideals (motto of the French Republic, the American Bill of Rights) to which a country adheres, ideals which give at the same time a sense to the forward march of the society and a criteria for judging the road already travelled. This formulation could also serve as an analytical tool, as Raymond Aron has done in Les Désillusions du progrès, starting from what he presents as the three basic aspirations of Western Civilization: equality, personal fulfillment, universality; or the American sociologist Philip Hauser, who recently presented a set of social objectives derived from three great principles: opportunity, equality, and security.<sup>13</sup>

These two last examples show that the reference to some abstract ideals could be a fertile intellectual instrument to introduce a significant order in the turmoil of social change. But this implement is not to be put in all hands. The use of the language of abstract ideals has in effect two great drawbacks: either it might inspire a superficial adhesion generative of ulterior deceptions, or else it provokes implacable conflicts, due to lack of agreement about its concrete implications. To say the same thing another way, the language of abstract ultimate ends is subject to criticism for its equivocal nature, since it partakes of absolute values (where it is not a question of conceiving an arbitration between conflicting values for the sake of the equalization of marginal rates of return or considerations of political opportunity) even while pretending to guide political action, which inevitably brings the spokesman of the aforesaid values to listen to the demands of general interest (security and concord) such as the politician interprets them.

b) The concise description of two or three final ends can equally help the policy maker to rank its concrete objectives, and to present them in a more orderly and convincing way than if one enumerated them in a disorganized way by agencies or by problems. We are thus in the field of pedagogy or persuasion which does not necessarily exclude sincerity but which does not automatically imply it either. One need not take offence. The essential thing is that these artifices of presentation are

<sup>&</sup>lt;sup>13</sup> "Social Goals as an Aspect of Planning" (reprinted in the hearings of Senator Mondale, ref. 9).

utilized for what they are, that is to say as a means among others to reinforce the possibilities of success of a plan (or of all dated and quantitative objectives) which would have been defined according to altogether different criteria (political convenience and effectiveness). Let us not expect from such devices what they cannot provide, that is to say, either the expression of objectively calculated relations among ends, objectives, and means, or the detector of the hidden system of preferences of the politicians. Otherwise said, the recourse to the rhetoric of ultimate ends must not dispense with methods of rationalization of choice, nor with decisions keeping into account the specifically political costs and benefits.

c) Finally, one can try to seek, following the method adopted by D. Lindon in his book La longue marche, to make the two (or three) chosen ends play an operational role by utilizing them as evaluation criteria thanks to which one can tell whether an alternative is better than another. This being the case, then, the task will consist of classifying conceivable policies by comparison with each of the two or three criteria. If the ordering which one reaches is the same whatever the criterion, no arbitration will be necessary: there is at least one policy which is "the best" for all the criteria. On the contrary, if one obtains contradictory orderings, it is necessary to choose among the criteria.<sup>14</sup>

This problem of choice would be avoided if one had only a single criterion applicable to all cases in which one has to select between alternative policies. More exactly, the only constraint is on the resources side and the only technical difficulty seems to be that in some cases, costs and benefits can be translated in monetarily terms, while in other cases, the benefits are described in physical terms and the evaluation of costs alone is monetary. But with whichever methods of choice—maximization of net benefit, or minimization of opportunity costs <sup>15</sup>—one

<sup>&</sup>lt;sup>14</sup> I point out only as a reminder the divergencies of terminology which one observes in specialist literature; French authors generally tend to reserve the word criterion to designate every rule possessing a degree of generality proper to make of it an instrument of comparison between solutions or policies with dissimilar results.

<sup>&</sup>lt;sup>15</sup> Or, alternatively, maximization of benefit for a predetermined ceiling of resources.

compares comparable things, and one simply has to verify that the search for the most advantageous solution is made "among areas" and not simply within a given area. If for example one compares the effectiveness of policies aiming at diminishing the death rate, one should logically not only compare among themselves alternatives concerning the prevention of road accidents, but equally one should bring into the picture programs of maternal and infant protection, to see if there are significant deviations in the monetary costs for each saved life.

The coexistence of multiple criteria complicates the analysis, but this complication is more or less large according to the case. One can say that if the criteria refer to measurable benefits, it is possible to weight them, that is to say, to specify the trade-off between, for example, "more output" and "more equal distribution" criteria. A rational choice becomes by definition impossible if the criterion refers to intangible benefits such as freedom of choice (or what Lindon calls "autodetermination"). One is therefore reduced to outmaneuver the difficulty and to try to provide the decision-maker with some information on the intangible effects of an alternative, in showing its "opportunity cost." Lindon assumes for instance that a public decision diminishing the "autodetermination" of the individuals by the limitation to \$18,000 of transmittable estates has very favorable effects from the point of view of the two other criteria, which he calls "development" and "equality." In these cases, it falls to the decision-maker "to judge subjectively, if this gain foreseeable in terms of equalitarian development justifies this restriction extended to individual freedom" (p. 78). In the same way the American economist R. McKean<sup>16</sup> cites the cases of two projects of water resources development, of which the first would yield a net benefit of one million dollars plus the preservation of salmon-fishing in the watershed, while the second project has as its only value a net benefit of two million dollars. "If one chooses A, he must be attaching a value of at least \$1,000,000 to the salmon-fishing. If this comes to \$1,000 per salmon (and he sticks with Project A), then he must think rather highly of this sport."

<sup>&</sup>lt;sup>16</sup> In his book Efficiency in Government through Systems Analysis (Wiley, 1958), p. 63.

If one acknowledges that an active being is rational when he does what is advantageous to him, the obstacles to the drive for rationalizing public choices are quite easily understandable: the advantage of A might signify the disadvantage of B, and vice versa; at a more all-inclusive level, we find again the century-old opposition between individual interests and general interest. This system of interpretation is perfectly admissible. What is not, is to want to justify the opposition to this movement of rationalization in terms of antagonism between the quantitative and the qualitative by finding fault with methods which have as their object to improve the effectiveness of public policy to be incapable of taking into account the qualitative dimensions and therefore favoring purely material growth in goods and services, narrowly technical efficiency, etc...<sup>17</sup>

I believe that this is to confuse two orders of problems, one bearing on the compared effectiveness of one or another mode of individual existence and of social organization to the degree that it is a source of satisfaction, which presupposes that one could define this satisfaction and inevitably implies different definitions; the other, which is that of arbitration among these definitions in the degree to which they are incompatible. The search for the economic optimum, which is basically at the bottom of all attempts at rationalization of choices, takes its significance from the fact that within a given definition of sources of satisfaction, it is possible to reorient the allocation of resources in such a way that there will be at least one person (actually even more...) whose position is improved and none whose position is worsened. I add that in this search for the optimum one can perfectly treat so-called qualitative questions (for instance the deterioration of the environment, which has become suddenly so fashionable, while only ten years ago, those who got upset about it like B. de Jouvenel<sup>18</sup> were preaching in the desert...), in modifying the system of prices to integrate some non-market

<sup>&</sup>lt;sup>17</sup> Cf. all the critiques against "fetishism of GNP" which B. Lassudrie-Duchêne refers to in his article "Economic Growth and Its Price," *Diogenes*, Winter 1966.

<sup>&</sup>lt;sup>18</sup> See for example "A Better Life in an Affluent Society," *Diogenes*, Spring 1961 reprinted in his latest book *Arcadie* (Ed. Sedeis, 1969).

costs or benefits: in this area, the regulation of supply and demand by more rational prices insures a convergence between personal interest and general interest.

But furthermore, we find collective goods <sup>19</sup> of which the major characteristic is that all decisions bearing on their production tie together the whole concerned community and does not allow for compromises through which those who vote against can dispense with "consuming" the aforementioned collective goods. If for the non-collective goods the exchange through the market allows those who prefer gas heating to coexist with those who choose electric heating (at least while there is no... collective heating) a collective good, such as the national defense, must be accepted (and paid) both by those who would like to see its production increased and by those who would like the reverse.

It is the same with the distribution of income: its more or less unequal character constitutes too a collective good, because all decisions modifying the hierarchy of income weighs on all, and cannot be sub-divided in function of particular "demands" such as those which can manifest themselves on the market. This reasoning effected on the distribution of income can be extended to the division of powers as far as the latter could be also more or less skewed. In my sense, it is there that one finds the real "qualitative," and all that analysts charged to advise policymakers can do would be to show them these structures change in the course of time (and in what direction) and to identify the costs and benefits (measurable or not) inherent in all spontaneous or deliberate modification of these structures.<sup>20</sup>

On the other hand, they are obviously unable to say to which conditions a durable consensus can create itself about a certain distribution of income and/or powers—otherwise, they would have to throw themselves immediately into politics...

<sup>&</sup>lt;sup>19</sup> Excellently analyzed in the book published under this title by A. Wolfesperger (PUF, 1969).

<sup>&</sup>lt;sup>20</sup> In fact, an eminent specialist such as Y. Dror considers that the science of public decision (policy science) should not hold the existing structures of power for intangibles, but should reexamine them in function of the interest of the whole social system (cf. the review of his latest book, *Public Policy-Making Reexamined*, by B. de Jouvenel, *Analyse et Prévision*, February 1970).