Representative Democracy and Choice of Policymaking Venue in the Administrative State*

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Abstract

Much of the existing scholarship on the positive theory of public bureaucracy focuses on the relationship between political institutions and bureaucratic agencies with the purpose of determining whether the latter is responsive to the former’s policy wishes. This body of research, however, does not typically consider the relationship between voters and political institutions in the realm of policy decision-making that is central to representative democracies. In this study, a decision-theoretic spatial model analysis of both the median voter and elected official respective choices of policymaking venue under conditions of uncertainty is proposed. The purpose of this exercise is to explain how rational voters and politicians arrive at deciding whether they prefer electoral institutions or administrative agencies to serve as a policymaking venue. Addressing this issue allows one to assess the vital linkage between voters and politicians with respect to policy choice that exists within a representative democracy. The results of this model display the conditions by which electoral institutions are (1) responsive to the median voter; (2) able to exercise its own discretion as to whether they or an agency should make policy choices without disregarding the median voter’s preference; and (3) willing to shirk from median voter’s preferences as to whom it wants to vest with policymaking authority.
“Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.”

— Edmund Burke  
Speech to the Electors of Bristol,  
November 3, 1774

“A representative government must not merely be in control, not merely to promote the public interest, but must also be responsive to the people........... For in a representative government the governed must be capable of action and judgment, capable of initiating government activity, so that government may be conceived as responding to them.”

— Hannah F. Pitkin (1967: 232)  
The Concept of Representation

1. Introduction

Are elected officials responsive to the policy wishes of voters? Or do elected officials choose to go against the grain of popular will? This is the basic tension embodied in the positive analysis of representative democracy reflected in the normative sentiments expressed above by Edmund Burke and Hannah Pitkin. This issue is of considerable interest to political scientists across a wide range of fields and subfields. Inquiry into this topic has been explored in considerable depth by students of empirical democratic theory focusing on policy representation, electoral systems, and voting behavior in both national and cross-national settings. This subject, however, has not received much attention by students of public bureaucracy. This is unfortunate given that the administrative state is encompassed within the constitutional design of representative democracy. In turn, what lies at the core of representative democracy is the relationship between voters and their elected representatives. As democratic theorist Robert Dahl notes “At the heart of the practice of every democracy, is the need to delegate authority from the citizens to the elected officials.” (Dahl 1982: 48). Dahl’s statement is clearly relevant for
understanding policy choices involving matters of administration, whether it manifests itself in
the form of rules and procedures created by democratic institutions, or is instead conveyed
through the delegation of such responsibilities to an administrative agency.

While significant theoretical advances have been made in understanding how political
and administrative institutions engage with one another (e.g., Bawn 1995; Hammond and Knott
1996; McCubbins and Schwartz 1984; Woolley 1993), studies of delegated authority over
bureaucratic policymaking have almost exclusively focused on the principal-agent relationship
between politicians or political institution(s) and the bureaucracy (see Moe 1984 for a theoretical
overview). Most of these works have assessed how politicians employ *ex ante* or *ex post*
mechanisms in order to control the behavior of administrative agencies, and whether or not they
are successful in doing so (e.g., Balla 1998 Calvert, McCubbins, and Weingast 1987; Hamilton
and Schroeder 1994; Hill and Brazier 1991; Horn 1995; Horn and Shepsle 1989; McNollGast
1987, 1989; Spence 1999a). As a result, these studies have attempted to explain whether
bureaucratic agencies are responsive to electoral institutions’ policy preferences (e.g., Carpenter
1996; Moe 1985; Scholz and Wei 1986; Wood and Waterman 1994), or whether the former
adopts or implements policy in a manner that deviates from the preferences of democratic
institutions that reflects bureaucratic autonomy or power in some manifestation or another (e.g.,
These investigations allow one to assess the nature of bureaucratic discretion, bureaucratic drift

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1 More recently, a related literature has arisen that focuses on bargaining among political
institutions in determining whether or not policymaking should be delegated to the bureaucracy
(e.g., Epstein and O’Halloran 1999; Huber, Shiban, and Pfahler 2000). This strand of work,
however, does not focus on the relationship between voters and politicians.
or shirking, and political control that occur in agency-political relationships. Past research in this vein has provided many useful cumulative insights as to whether or not bureaucratic agencies are responsive to democratic institutions.

Existing scholarship on the positive theory of the public bureaucracy, however, has yet to explore an important facet of Madisonian Liberalism found in representative democracies – the relationship between voters and politicians, and its subsequent implications for policy choice within the administrative state (see Spence 1999b for a rare exception). On a macro level, analyzing this relationship is crucial for understanding the decision-making calculus of policy choices made within a representative democracy since determining whether or not elected representatives are being faithful agents to the policy wishes of the electorate provides us with insight into the nature of this form of governance. Unfortunately, existing scholarship fails to address whether or not elected officials are responsive to the will of voters in the realm of policy administration.2 Voters preferences as to whom they wish to delegate policymaking authority is an important component for assessing the responsiveness of elected officials to citizens in a representative democracy. This is because voters serve as the principal overseeing the policy actions made by their agents – elected representatives. Voters possess the means to sanction politicians through the formal mechanism of elections, but the same cannot be said with respect to bureaucratic agencies. Thus, voters’ can be viewed as possessing a direct relationship with electoral institutions, while having an indirect relationship with administrative agencies (Spence 1999b).

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2 For the purposes of this study, the use of the term *policy administration* has a broad connotation since it refers to the means by which democratic institutions and administrative agencies implement public policy.
In this study, a decision-theoretic spatial model analysis of voter and politician choice of policymaking venue under conditions of uncertainty is proposed. Addressing this research question will capture the fundamental aspect of representative democracy that bureaucratic politics scholarship has generally granted scarce attention towards – the relationship between voters and elected officials in the realm of policy administration. First and foremost, this model accounts for uncertainty that each actor (median voter, median politician, and agency) has with respect to the remaining two actors’ policy values and levels of accurate information. Expected decision rules are formulated for the median voter’s preferred choice as to whom should be delegated policymaking authority – electoral institutions or the bureaucracy. The median voter’s choice is based on the relative balance between the weighted expected policy values and information gap between the median politician and agency in relation to its own policy values and information levels. Next, the median politician’s choice is similarly analyzed to determine whether they prefer to make policy themself or instead wish to delegate policy choice to an administrative agency. Taking this information into account, the conditional expectation of the median politician’s choice, given the median voter’s preferences for vesting policymaking authority with elected versus non-elected government officials can be derived. This, in turn, provides us with the decision-theoretic conditions concerning the principal-agent relationship between the median voter and median politician on matters pertaining to policy administration couched within the larger context of representative democracy. These relations range from active political responsiveness (i.e., the median voter and politician’s unambiguous preferred choice as to whom should make policy coincides with one another) to political shirking (i.e., the median politician’s preference as to whom should make policy substantively differs from that of the
median voter’s preferred choice).

The subsequent section discusses the importance attached to voters’ preference for delegating policy choice between elected versus unelected government officials within the context of representative democracy. Next, the median voter’s expected decision rule is established as to whether they prefer the median politician, or agency, or are indifferent between either one in terms of delegating policymaking authority. In addition, the median politician’s expected decision rule is also considered in this section. The median politician’s decision to make policy itself, or delegate it to the bureaucracy, conditional on the median voter’s preferences as to which government agent whom they prefer to delegate policymaking authority is analyzed in the fourth section. The final section discusses the implications of the theoretical results obtained from this study within the context of how the administrative state functions within a representative democracy.

2. Policy Administration and Representative Democracy: Do Voters’ Preferences Really Matter?

Existing studies utilize the principal-agent paradigm to analyze the delegation of policy authority by elected officials to public bureaucracies. Under these circumstances, elected officials must find the appropriate strategy, and hence tools, to control the performance of an administrative agency. This line of inquiry provides valuable insights into internal relationships between governmental actors, yet tells us nothing about larger issues centered on representative democracy because it omits voters from having an actual voice independent of elected representatives. This conventional perspective also subsumes that voters’ preferences regarding policy choice yields no information about the nature of democratic preferences in the
administrative state. Under these conditions, even if voters’ preferences for delegating policy choice contains informative content these actors would be rendered trivial since electoral institutions are necessarily assumed to have the best interests of the polity at heart, while the bureaucracy is out of touch with the citizenry and/or has preferences that run counter to theirs according to public choice scholarship on the topic (e.g., see Mueller 1996: 254-260). This outlook can only be true if administrative agencies’ policy preferences and resulting activities are thought to be intrinsically at odds with those held by voters. This, however, is an unlikely supposition given that variance of opinion on such matters is present in a pluralist democracy. Furthermore, voters’ attitudes towards a bureaucratic agency will depend on the solutions that the latter offers in tackling policy problems. This, in turn, will fluctuate through time as new problems arise, old problems are redefined, political change occurs, and turnover of agency personnel takes place.\(^3\) Further, this narrower perspective that considers only the linkage between electoral institutions and administrative agencies is also tenable if one presumes that voters are divorced altogether from the bureaucracy. This assertion, however, is invalid given the reality and practice of the administrative state within a representative democracy. Although voters have an indirect relationship with the bureaucracy that is conditioned by electoral institutions in a formalistic manner, they do have direct contact with them through the day-to-day provision of public services (Goodsell 1985; Lipsky 1980). Participatory rulemaking in the form of sunshine laws and other openness requirements, plus the establishment of the Freedom of Information Act in 1966 has also been utilized to enfranchise private citizens into the policy administration process with considerable success over the past few decades (Gormley 1989: _____________

\(^3\) This is compatible with the notion of an issue-attention cycle (Downs 1972).
The basis for the administrative state lies within the sphere of constitutional democracy. Some public administration theorists, for instance, contend that the constitutional role of public administration within a democracy to be on equal footing with that of democratic institutions such as the chief executive, legislature, and judiciary (Rohr 1986; Walmsley et al., 1987). The basis for this viewpoint comes from Alexander Hamilton’s use of the term representative democracy to describe the entire sphere of constitutional democracy, and note merely referring to elected officials (Diamond 1981: 69). Also, John Rohr notes: “Although the principle of popular sovereignty was most frequently invoked in debates over federalism, the application of the principle to the structure of the federal government itself is what is of interest to students of Public Administration.” (Rohr 1986: 79). Both elected and appointed government officials are viewed as “officers” under this framework since the Federalists interpreted the concept of representation as being simply the flow of authority from citizens to their government (Wood 1969; see also Rohr 1986: 79, footnote 12). In other words, both elected and nonelected officials serve as “representatives” of the people. This particular perspective suggests that voters and public bureaucracies are indeed not orthogonal to one another in a de facto sense. However, voters are incapable of directly assigning policymaking responsibility to the bureaucracy due to the representative character of our democratic system.4 Although voters’ policy decision-making authority is typically delegated to electoral institutions, this does not translate into an abdication of the former having revealed policy preferences of their own on administrative matters. Nor

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4 This would be true in all instances, save those situations where voters could make policy decisions via direct democracy channels.
will voters necessarily prefer politicians’ to choose policy on their behalf instead of an
administrative agency just because they have a direct relationship with the former agent and an
indirect relationship with the latter agent. Instead rational voters within a representative
democracy can be thought of as being more nuanced insofar that they will weigh the relative net
benefits associated with delegating policy choice to elected officials vis-a-vis the bureaucracy
when arriving at such a decision.

The implications for this representative democracy perspective on policy administration
are threefold. First, the importance associated with voters’ preferences concerning delegation
powers is consistent with the design and performance of constitutional democracy. To suggest
otherwise, is to presume that citizens lack interest nor any stake in which type of government
agent is responsible for selecting policy. Such a view obviously requires a leap of faith that
neither passes constitutional or empirical muster based on the preceding discussion. Second,
although voters experience information asymmetries at the expense of both their “elected”
(political) and “non-elected” (administrative) agents, they do, however, gather information, hold
policy values, formulate expectations, and also explicitly factor in such uncertainties concerning
each actor to inform their decision as to which agent that they prefer to delegate policymaking
authority. In this manner, voters’ are capable of serving in the role of principal by utilizing
information in order to make explicit decisions as to whom they wish to delegate policy making
authority (Mashaw 1998; Spence 1999b; for a broader view see Lupia and McCubbins 1998).
Third, and most importantly, the legitimacy of policy administration is based on it being
consistent with voters’ preferences, even if elected officials are not successful in controlling the
behavior and performance of public bureaucracies per se (Spence 1999b). Therefore, what
ultimately matters in evaluating the performance of policy administration is not only examining how successful a political principal is able to monitor the activity of a bureaucratic agent, but also how accurately does the bureaucratic agency reflect voters’ policy interests that is the essence of representative democracy.

Since electoral institutions and bureaucratic organizations can each be viewed as government agents in relation to the larger polity, then several questions naturally arise that are at the core of understanding the practice of delegating authority in the administrative state. Which type of representative do voters wish to delegate policymaking authority – an “elected” or “non-elected” agent? Subsequently, does the “elected” agent’s preference as to whether they themselves or a bureaucratic agency select policy concur with voters’ preferences for policy delegation? What do the resulting answers to these two questions imply about the willingness of electoral institutions to accurately mirror the citizen preferences in policymaking affairs? The remainder of this study attempts to address these questions through use of a decision-theoretic spatial model analysis of policy delegation under conditions of uncertainty which focuses on voter-politician relations with respect to the administrative state. The purpose of this investigation is to determine whether elected officials are faithful in representing the voters’ preferred venue for policymaking to take place. This is addressed by deriving the conditions that affect voter and politician choices separately, and then deducing how this affects the relationship between these actors that represent the principal-agent relationship that serves as the touchstone of representative democracy.
3. Voter and Politician Choice of Policymaking Venue Under Uncertainty

If voters could determine whether they wished to see an agency or politician select policy, then to whom would they decide to delegate such decision-making authority? Underlying this question is the fundamental goal of government policy choice in a representative democracy – Voters (i.e., the median voter), want government to do what they would do if only they themselves had the time and wherewithal to address the problem (Lupia and McCubbins 1994; Spence 1999b). Within the context of this study, this problem is consistent with the core foundation that representative democracy rests upon – the linkage between voters (principal) to government officials of the elected and non-elected type (agents). More specifically, this linkage entails an explicit choice by the principal, in the form of the median voter, as to which agent (median politician or agency) they wish to make policy on their behalf.

Voters, however, face two obstacles that they must contend with in making such decisions. First, they do not know with complete certainty the policy values held by elected officials and the agency (Spence 1999b). In addition, while voters recognize that bureaucratic agents will enjoy an information asymmetry over a political agent, they are also uncertain about the magnitude of such a difference. Thus voters will be uncertain about whether they prefer policy decision-making to be delegated to an administrative agency or electoral institutions. The approach undertaken here departs from Spence’s (1999b) analysis in that uncertainty surrounding agency and politicians’ values concerning choice of policymaking venue are explicitly considered within a spatial modeling framework, plus the uncertainty of each agent’s relative levels of

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5 This study strictly focuses on the decision-making calculus underlying both voters and elected officials’ desire as to whom they prefer to make policy choices. An analysis of policy outcomes that flow from the policy choices being made are beyond the purview of the present paper.
accurate information are also not known with certainty by voters and treated as such.

Therefore, the decision rule utilized by the median voter (i.e., principal) will rest upon a combination of four factors: (1) the relative degree of uncertainty surrounding each agent’s policy values in relation to one another, (2) the expected relative distance that each agent’s policy values lie from the median voter, (3) the relative degree of uncertainty facing the typical voter when considering the information advantage between agents which reflects the latter’s differential knowledge and/or competency in handling a policy issue, and (4) the expected relative information advantage each agent possesses over the median voter. The basic notation and assumptions associated with the spatial model analysis of voter choice of policymaking venue under uncertainty are laid out below.

**Basic Notation & Assumptions**

Based on the spatial model set forth by Spence (1999b), the \( i \)th actor’s ideal point or opinion \( (O_i) \) is simply function of the level of accurate information that they possess \( (I_i) \) as well their vector of policy values \( (V_i) \). These policy values reflect the internal and external forces that shape each actor’s opinions independent of the level of accurate information that they hold.\(^6\)

Thus,

\[
O_i = f(I_i, V_i),
\]

where differences in opinion over policy choices among the agency \( (O_A) \), median voter \( (O_v) \), and

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\(^6\) This is not to suggest that policy values are completely divorced from information per se. Rather, policy values may reflect how an actor will qualitatively translate information into policy preferences. This is distinct from asserting that the level of accurate information each actor possesses will affect their opinions in a conditional manner through their policy values.
the median politician (\(O_p\)) in a unicameral legislature\(^7\) are simply a function of each actor’s respective level of accurate information (\(I_A, I_V, I_P\)) and also a vector or combination of policy values (\(V_A, V_V, V_P\)).\(^8\) In addition, one can assume that voters are rationally ignorant in the Downsian sense since opportunity and search costs of information are sufficiently high enough to discourage them from making a fully-informed policy choice. Further, elected officials are policy generalists who delve into a variety of policy areas through their multiple committee assignments and activities, and thus are more informed than voters. Elected officials, however, are less informed compared to bureaucratic agencies whose purpose is to bring to bear specialized knowledge and expertise when addressing public policy problems within narrowly confined issue areas encompassed by its administrative jurisdiction. Following the work of Spence (1999b), one can assume that a hierarchy of rational ignorance exists where \(I_V < I_P < I_A\).

For sake of simplicity and without loss of generality, let us also assume that the median voter’s utility function (\(U_V\)) is of the standard quadratic form where:

\[
U_V = -\left(O_x - O_V\right)^2
\]

and its preferences fall along a single policy dimension, are single-peaked (i.e., symmetric), and deviations in the actual policy chosen (\(O_x\)) from the median voter’s ideal point (\(O_V\)) exerts a successively more deleterious effect on their utility. Given that agencies enjoy an information advantage over the median politician by the amount of \(I_A - I_P\), in the limiting case when agency

\(^7\) This median voter assumption is commonplace, especially studies where elected officials reside in a unicameral legislature. However, this general assumption is also valid within the context of pivotal politics theory consisting of multiple political institutions in the presence of majoritarianism as long as policy is treated as being unidimensional in nature (e.g., see Krehbiel 1998).

\(^8\) This means that when \(I_A = I_V = I_P\) and \(V_A = V_V = V_P\), that \(O_A = O_V = O_P\) by definition.
policy values equate with those held by the median politician ($V_A = V_p$), a rational voter will always prefer to delegate policymaking authority to the agency over the median politician. In reality, however, the existence of this special case is highly unlikely because $V_A$ and $V_p$ are not known with certainty by voters (Spence 1999b), and neither do they know the values of $I_A$ and $I_p$. Thus one cannot be sure that this relation will be valid in practice even if $V_A = V_p$. The penultimate decision rule for the median voter is ambiguous because they must make their decision based on incomplete information concerning each agents’ policy values and the degree of the information asymmetry the bureaucracy enjoys over electoral institutions. This requires the derivation of an expected decision rule a rational voter employs in determining whether they prefer to delegate policymaking authority to an administrative agency as opposed to electoral institutions.

*The Voter’s Decision: Agency Policy Choice versus Politician Policy Choice?*

Voters will possess uncertainty over what policy choices the agency and median politician will make if delegated policymaking authority since they do not know the exact location of either agent’s ideal point. As a result, voters must form expectations concerning the policy behavior of elected officials and administrative agencies. Specifically, the purpose here is to obtain the expected decision rule(s) for the median voter given that she is uncertain about agent policy values and (accurate) information levels. It is obvious that the median voter’s expected decision rule is concerned with selecting a policymaking venue that will provide them with the highest expected utility. In its most basic and generic formulation, the median voter’s

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9 This same logic also applies for the median politician’s decision whether or not to delegate policymaking responsibility to an agency.
where the expected difference between each agent’s (i.e., agency and median politician) ideal point relative to the principal’s ideal point (i.e., median voter) determines to whom a rational voter will want to delegate policymaking authority.\textsuperscript{10} Equation (3.1) indicates that the expected squared difference between the median politician’s and median voter’s ideal points will be smaller relative to the expected squared difference between the agency and median voter’s ideal points. As a result, the median voter will prefer to delegate policymaking authority to the elected official. Equation (3.2) reveals that the expected squared difference between the median politician’s and median voter’s ideal points will be greater relative to the expected squared difference between the agency and median voter’s ideal points. Under these circumstances, the median voter will prefer to delegate policymaking authority to the bureaucracy since its preferred policy position is closer to the agency’s ideal point. In the final case (3.3), the expected squared difference between each agent’s ideal point relative to the principal’s ideal point (i.e., median voter) determines to whom a rational voter will want to delegate policymaking authority.\textsuperscript{10}
distance for the median politician and agency’s ideal points in relation to the median voter’s are equivalent. Thus one can infer that the median voter will be indifferent between each government agent with respect to their preference of policymaking venue in these instances.

However, we do not know with any precision the underlying causal mechanism that results in the above choices made by rational voters. In order to address this issue, one must get inside the black box and assess the two variables that determine ideal points of the agency and median politician: the level of accurate information each holds \((I_A, I_p)\) and the vector of policy values that each agent embraces \((V_A, V_p)\) in relation to the median voter’s own level of accurate information \((I_v)\) and policy values \((V_v)\). This, in turn, can be represented by:

\[
E \left[ (I_v - I_A)^2 \right] \quad (4.1)
\]
\[
E \left[ (I_v - I_p)^2 \right] \quad (4.2)
\]
\[
E \left[ (V_v - V_A)^2 \right] \quad (4.3)
\]
\[
E \left[ (V_v - V_p)^2 \right] \quad (4.4)
\]

where the expected squared difference between the median voter’s level of accurate information and policy values are described in terms of those held by the median politician and agency.

Since none of these four government agent variables are known with certainty by the median voter, the latter will form expectations concerning each agent’s respective level of accurate information and policy values. Let \(I_A, I_p, V_A, V_p\) be recast as random variables:

\[
I_A = \bar{I}_A + \eta_A \quad \text{where} \quad \eta_A \sim \left(0, \sigma_{\eta_A}^2\right) \quad (5.1)
\]
\[ I_P = \bar{I}_P + \eta_P^2 \text{ where } \eta_P \sim \left(0, \sigma_{\eta_P}^2\right) \quad (5.2) \]

\[ V_A = \bar{V}_A + \epsilon_A \text{ where } \epsilon_A \sim \left(0, \sigma_{\epsilon_A}^2\right) \quad (5.3) \]

\[ V_P = \bar{V}_P + \epsilon_P \text{ where } \epsilon_P \sim \left(0, \sigma_{\epsilon_P}^2\right) \quad (5.4) \]

where each variable is symmetrically distributed across their means (\( \bar{I}_A, \bar{I}_P, \bar{V}_A, \bar{V}_P \)), and contains a mean-zero stochastic disturbance term (i.e., \( E[\eta_A] = E[\eta_P] = E[\epsilon_A] = E[\epsilon_P] = 0 \)) with known variances \( \sigma_{\eta_A}^2, \sigma_{\eta_P}^2, \sigma_{\epsilon_A}^2, \sigma_{\epsilon_P}^2, \epsilon_P^2 \). Substituting the random variables from (5.1 – 5.4) into the original equations (4.1 – 4.4), and doing some standard algebraic manipulation yields:

\[ E\left[(I_V - (\bar{I}_A + \eta_A))^2\right] = (I_V - \bar{I}_A)^2 + E(\eta_A^2) \quad (6.1) \]

\[ E\left[(I_V - (\bar{I}_P + \eta_P))^2\right] = (I_V - \bar{I}_P)^2 + E(\eta_P^2) \quad (6.2) \]

\[ E\left[(V_V - (\bar{V}_A + \epsilon_A))^2\right] = (V_V - \bar{V}_A)^2 + E(\epsilon_A^2) \quad (6.3) \]

\[ E\left[(V_V - (\bar{V}_P + \epsilon_P))^2\right] = (V_V - \bar{V}_P)^2 + E(\epsilon_P^2) \quad (6.4) \]

where \( E(\eta_A^2) = \sigma_{\eta_A}^2, E(\eta_P^2) = \sigma_{\eta_P}^2, E(\epsilon_A^2) = \sigma_{\epsilon_A}^2, E(\epsilon_P^2) = \sigma_{\epsilon_P}^2 \). Equations (6.1) – (6.4) simply view the expected squared difference of the median voter’s policy values and information levels relative to those held by the median politician and agency in terms of their squared deviation from each agents’ mean value, plus the variance corresponding to a random shock for each. The volatility associated with this random shock captures the degree of uncertainty that the median voter possesses regarding each agent’s policy values and information capabilities.
Given that the median voter is uncertain about both the median politician’s and agency’s policy values and expertise, the voter employs an expected decision rule. Based on the preceding analysis, such a rule must account for the relative uncertainty that the median voter experiences concerning each agent’s information levels. Greater uncertainty concerning an agent’s level of information reveals either a higher level of obfuscating their ability to handle a policy problem with the purpose of misleading the median voter (principal), or the median voter’s greater difficulty in processing information pertaining to the agent’s capabilities, or perhaps some combination of both. This rule also captures the relative expected squared distance that the policy values held by the each government agent fall away from the median voter. To summarize, understanding to whom voters wish to vest with policymaking authority is simple. Voters attach significance on how informed each agent is, how close their policy values are relative to themselves, and the extent to which they are uncertain about each agent’s level of information and policy values. Therefore, the expected decision rule that the agency will follow can be reinterpreted from its earlier manifestation in (3.1) – (3.3) as being:

\[
\frac{E\left(e_A^2\right)^*}{E\left(e_P^2\right)} \left(\frac{V_v - \bar{V}_A}{V_v - \bar{V}_P}\right)^2 > \frac{E\left(\eta_P^2\right)^*}{E\left(\eta_A^2\right)} \left(\frac{I_v - \bar{I}_A}{I_v - \bar{I}_P}\right)^2
\]

(7.1)

\[\therefore\text{ Median Voter Will Prefer to Delegate Policy Choice to the Median Politician (P)},\]

\[
\frac{E\left(e_A^2\right)^*}{E\left(e_P^2\right)} \left(\frac{V_v - \bar{V}_A}{V_v - \bar{V}_P}\right)^2 < \frac{E\left(\eta_P^2\right)^*}{E\left(\eta_A^2\right)} \left(\frac{I_v - \bar{I}_A}{I_v - \bar{I}_P}\right)^2
\]

(7.2)

\[\therefore\text{ Median Voter Will Prefer to Delegate Policy Choice to the Agency (A)},\] and
\[
\frac{E(\varepsilon_A^2)}{E(\varepsilon_P^2)} \left( \frac{V_V - \bar{V}_A}{V_V - \bar{V}_P} \right)^2 = \frac{E(\eta_P^2)}{E(\eta_A^2)} \left( \frac{I_V - \bar{I}_A}{I_V - \bar{I}_P} \right)^2
\]  
(7.3)

\[\therefore\text{ Median Voter Will Be Indifferent Delegating Policy Choice to Either the Median Politician (P) or Agency (A)}.\]

Before discussing the overall meaning of these expected decision rules, some verbal description of its components are in order. The relative uncertainty that the median voter has regarding the agency’s policy values vis-a-vis those held by the median politician is reflected by the variance ratio \(\frac{E(\varepsilon_A^2)}{E(\varepsilon_P^2)}\). As this policy values variance ratio term rises (drops), it magnifies the relative policy values gap in favor of the median politician (agency), holding all else constant. The term \(\left( \frac{V_V - \bar{V}_A}{V_V - \bar{V}_P} \right)^2\) captures the expected value of the relative policy values gap between government agents. Higher (lower) values for this term result in making the agency a less (more) attractive option for the median voter to entrust with policymaking authority, all else being equal.\(^{11}\) The relative uncertainty that the median voter experiences regarding the median politician’s level of accurate information in relation to the median politician is accounted for in the term \(\frac{E(\eta_P^2)}{E(\eta_A^2)}\).

\(^{11}\) In the special case where \(\frac{E(\varepsilon_A^2)}{E(\varepsilon_P^2)} = 1\), the variance of the policy values shocks are identical, and thus the weighted expected relative policy values gap is solely determined by \(\left( \frac{V_V - \bar{V}_A}{V_V - \bar{V}_P} \right)^2\).

Conversely, when \(\left( \frac{V_V - \bar{V}_A}{V_V - \bar{V}_P} \right)^2 = 1\), the \(\frac{E(\varepsilon_A^2)}{E(\varepsilon_P^2)}\) term will determine the value for this expression.

The same logic also holds for the weighted relative information asymmetry expression that is subsequently discussed.
Increases (declines) in this information variance ratio term enhances (erodes) the relative information asymmetry the agency possesses, ceteris paribus, and thus reduces (increases) the likelihood that the median voter will prefer to delegate policy authority to the median politician instead of the agency. Finally, the expected value of relative information asymmetry between government agents is given by the ratio \( \frac{(I_V - \bar{I}_A)^2}{(I_V - \bar{I}_P)^2} \). Higher (Lower) values for this expected deviation ratio result in making the agency a more (less) preferred option for the median voter to vest policymaking authority, holding all else constant. In other words, the expected relative policy values gap and expected relative information asymmetry variables are separately weighted by the relative uncertainty that the median voter exhibits concerning each of these variables. For instance, while an agency enjoys an expected information advantage at the expense of the median politician consistent with the hierarchy of rational ignorance assumption, it may be offset by greater relative uncertainty the median voter possesses concerning the agency’s information levels vis-a-vis those of the median politician. Therefore, a rational voter arriving at such a decision under conditions of uncertainty must not only take into account their expected relative policy values gap and information asymmetry, but also their relative variances.

Both complete expressions on each side of the (in)equality contain substantive meaning. Specifically, the median voter assesses the weighted expected relative policy values gap between the median voter and each agent compared to the weighted expected relative information asymmetry between the agency and median politician vis-a-vis the median voter. Central to the median voter’s decision as to whom it wishes to delegate policymaking authority then becomes – Does the weighted information asymmetry that the agency enjoys at the expense of the median politician offset by the comparatively closer distance of the median politician to the median voter
represented by the weighted policy values gap? Because $I_p < I_A$, if the weighted information asymmetry expression is of smaller magnitude than the policy value gap expression as in (7.1), then the median voter will view the information advantage bureaucratic agencies enjoy over the median politician as contributing to less utility than compared to the relative distance that she lies from the agency’s policy values vis-a-vis the median politician. Under such conditions, the median voter prefers to vest policy choice to an electoral institution as opposed to a bureaucratic agency. Conversely, if the weighted information asymmetry expression is of a larger magnitude than the weighted expected policy values gap found in (7.2), the median voter will view the information advantage a bureaucratic agency enjoys over the median politician as contributing to a higher level of utility than compared to the relative distance they are from the agency’s policy values vis-a-vis the median politician. In these instances, the median voter will prefer to delegate policymaking authority to an administrative agency instead of an electoral institution. When the agency’s weighted relative information advantage is equivalent to its weighted relative distance in policy values from the median voter appearing in (7.3), then she will be indifferent between choice of policymaking venue.

*The Politician’s Decision: To Delegate or Not To Delegate?*

Unlike voters, electoral institutions possess the formal authority to select a policymaking venue. Elected officials are similar to voters insofar that they confront uncertainty over the policy values and level of information held by other actors. Therefore, the median politician does not know the exact location of either the median voter’s or agency’s ideal points. The logical basis to the median politician’s decision as to whether or not to delegate policymaking
authority to an administrative agency is straightforward. This actor is an agent of the median voter within a majoritarian context, and hence, bears responsibility for faithfully representing the policy interests of voters. This is because voters’ policy preferences are partially manifested through, but clearly not identical to, those held by elected officials consistent with constituent influence. At the same time, however, the median politician also realizes that she is engaged in a variety of tasks being a policy generalist, and thus will prefer to profit from the bureaucracy’s comparative, if not absolute, institutional advantage in matters of policy administration. Not only does this allow electoral institutions to take advantage of the division of labor and policy specialization afforded them, but it can also enable them to assign blame elsewhere if the consequences of policy choices are indeed negative. Therefore, a tension exists for the pivotal elected official in which they must assess the relative balance it wishes to place on its representation and institutional functions in making their selection of a policymaking venue.

Let us treat the behavioral assumptions concerning median politician’s preferences and utility function as being the same as those for the median voter noted earlier. The resulting expected decision rule for the median politician is whether they wish to take care of policy on their own or choose to delegate it to an agency is based on the following array of each actor’s ideal points:

\[ E\left(\left(O_p - O_v\right)^2\right) > E\left(\left(O_p - O_A\right)^2\right) \]  

\[ \therefore \text{Median Politician Will Prefer to Delegate Policy Choice to the Agency (A)}, \]

\[ E\left(\left(O_p - O_v\right)^2\right) < E\left(\left(O_p - O_A\right)^2\right) \]  

\[ \therefore \text{Median Politician Will Prefer to Make Policy Choice (P), and} \]
In terms of the median politician, equation (8.1) indicates that when the expected difference between the median voter’s (principal) from themselves is greater than it is for the agency’s (agent) ideal points, that they will prefer to delegate policy decision-making responsibility to a bureaucratic agency. This is because the median politician is mindful of the fact that their ideal point is farther from the median voter compared to the agency. Under these circumstances, the median politician will have an incentive to delegate policymaking authority in order to take advantage of the institutional advantage bureaucratic organizations enjoy in policy administration, all else being equal. Conversely, the expected decision rule in (8.2) maintains that when the expected difference between the median voter’s (principal) ideal point from themself is less than it is from the agency’s (agent) ideal point, that they will prefer to retain policymaking authority. In these cases, an elected official will have an incentive to make policy when a bureaucratic agency is relatively out of touch with the sentiments of the median voter and their elected representative. The final case suggests that the median politician will be indifferent between electoral and administrative policymaking venues. This is because the median politician’s ideal point is equidistant from both the median voter and the agency, and hence, selecting between the alternatives of delegating and not delegating policymaking power will not have a differential impact on the median politician’s utility.

In accordance with the analysis of the median voter’s delegation decision conducted in
the previous section, one must break down the ideal points into their components and treat them as random variables where using the same notation as in the preceding sub-section, save a prime superscript ("′") to denote that these are based on the expectations of the median politician, and not those held by the median voter:

\[ I'_A = \bar{I}'_A + \phi_A \text{ where } \phi_A \sim \left(0, \sigma^2_{\phi_A}\right) \]  

(10.1)

\[ I'_V = \bar{I}'_V + \phi_V \text{ where } \phi_V \sim \left(0, \sigma^2_{\phi_V}\right) \]  

(10.2)

\[ V'_A = \bar{V}'_A + \gamma_A \text{ where } \gamma_A \sim \left(0, \sigma^2_{\gamma_A}\right) \]  

(10.3)

\[ V'_V = \bar{V}'_V + \gamma^2_V \text{ where } \gamma_V \sim \left(0, \sigma^2_{\gamma_V}\right) \]  

(10.4)

where each variable is symmetrically distributed across their means (\(\bar{I}'_A, \bar{I}'_V, \bar{V}'_A, \bar{V}'_V\)), and contains a mean-zero stochastic disturbance term (i.e., \(E[\Phi_V] = E[\Phi_A] = E[\gamma_A] = E[\gamma_V] = 0\)) with known variances \(\sigma^2_{\phi_A}, \sigma^2_{\phi_V}, \sigma^2_{\gamma_A}, \sigma^2_{\gamma_V}\). Analogous to the median voter, the median politician’s expected decision rule is based on the weighted expected relative policy values gap and the weighted information asymmetry that it experiences with respect to the other actors\(^{12}\):

\[
\frac{E(\gamma^2_A) \left(V_p - \bar{V}'_A\right)^2}{E(\gamma^2_V) \left(V_p - \bar{V}'_V\right)^2} > \frac{E(\phi^2_A) \left(I_p - \bar{I}'_A\right)^2}{E(\phi^2_V) \left(I_p - \bar{I}'_V\right)^2}
\]  

(12.1)

\[\therefore\text{ Median Politician Will Prefer to Choose Policy (P),}\]

\[^{12}\text{Please note that } E(\phi^2_A) = \sigma^2_{\phi_A}, E(\phi^2_V) = \sigma^2_{\phi_V}, E(\gamma^2_A) = \sigma^2_{\gamma_A}, E(\gamma^2_V) = \sigma^2_{\gamma_V}.\]
\[
\frac{E\left(y_A^2\right)}{E\left(y_V^2\right)} \frac{(V_P - \bar{V}_A')^2}{(V_P - \bar{V}_V')^2} < \frac{E\left(\phi_A^2\right)}{E\left(\phi_V^2\right)} \frac{(I_P - \bar{I}_A')^2}{(I_P - \bar{I}_V')^2} \tag{12.2}
\]

.: Median Politician Will Prefer to Delegate Policy Choice to the Agency (A), and

\[
\frac{E\left(y_A^2\right)}{E\left(y_V^2\right)} \frac{(V_P - \bar{V}_A')^2}{(V_P - \bar{V}_V')^2} = \frac{E\left(\phi_A^2\right)}{E\left(\phi_V^2\right)} \frac{(I_P - \bar{I}_A')^2}{(I_P - \bar{I}_V')^2} \tag{12.3}
\]

.: Median Politician Will Be Indifferent Between Making Policy (P) and Delegating Policy Choice to the Agency (A).

Similar to the expected decision rule confronting the median voter, the median politician assesses the weighted expected relative policy values gap between themself and the median voter and agency in relation to the weighted expected relative information asymmetry that it negatively (and positively) experiences with respect to the agency (and median voter). More specifically, the median politician choice of policymaking venue is based on whether the degree of closeness their policy values are to those of the median voter vis-a-vis the agency is either larger, smaller, or identical in magnitude compared to the relative information asymmetry that they experience in its favor with respect to the median voter and to its detriment in relation to the agency since \(I_A > I_P > I_V\). Put simply, when the median politician’s weighted relative policy values are comparatively more distant from the agency in relation to the weighted relative information deficiency that it experiences with respect to the latter, the median politician will prefer not to delegate policy making authority to a bureaucratic agency as is the case in (12.1). If the median politician’s weighted relative policy values are comparatively less distant from the agency in relation to the weighted relative information deficiency that it experiences with respect to the
latter, then the median politician will prefer to delegate policymaking authority to an administrative venue as indicated by (12.2). Finally, if the magnitude of their weighted relative policy values gap and weighted relative information deficiency are equivalent, then the median politician will be indifferent between either policymaking venue as depicted in (12.3).

What still remains to be determined is whether or not elected officials are responsive the preferences of the median voter when selecting a policymaking venue. Next, this issue is directly addressed by examining the conditional expectation of a median politician selecting a preferred policymaking venue given the median voter’s preference for such a choice.

4. Analyzing Political Responsiveness, Political Discretion, and Political Shirking

Involving Choice of Policymaking Venue

The previous section established the expected decision rule facing the politician when confronting the uncertainty surrounding both policy values and information levels held by the median voter and agency, respectively. Now the question is posed – What are the various types of decisions can the median politician arrive at given that the median voter has elicited a preference of their own as to whom should make policy? Three choices are available to the median voter and politician, separately: (1) select the agency, (2) select the electoral institution (represented by the median voter), or (3) be indifferent between the agency and electoral institution. Addressing these decisions in a joint fashion can provide us with direct insight into the principal-agent relationship between voters and elected officials with respect to delegation of policy choice in a representative democracy.

One can treat the probability of the agency’s choice of policymaking venue be represented
by $p$, while the probability of the median politician’s preference for this same decision is given by $q$, where $p = Pr(\text{Agency})$, $p_2 = Pr(\text{Indifferent})$, $p_3 = Pr(\text{Politician})$; and $q_1 = Pr(\text{Agency})$, $q_2 = Pr(\text{Indifferent})$, $q_3 = Pr(\text{Politician})$. The conditional probabilities are easily calculated and provide information on the joint likelihood of the median politician’s and median voter’s preferences occurring for a particular policymaking venue, given the median voter’s own preference. These conditional probabilities are formally presented in Table 1. Each cell in this

3 × 3 choice table represents a conditional probability that substantively characterizes the nature of the principal-agent relationship between the median voter and median politician with respect to choice of policymaking venue. Lighter shading represents greater political responsiveness (i.e., preference concordance) by the median politician in relation to the median voter, while darker shading corresponds to less political responsiveness. Active Political Responsiveness occurs in two instances and refers to the fact that the pivotal voter and elected official will concur as to which venue should be responsible for policymaking. Under these circumstances, political responsiveness is termed active because the median politician’s preferred choice matches that of the median politician. Passive Political Responsiveness occurs in two of the possible nine case outcomes. Such political responsiveness is termed passive because the median elected official will be indifferent between agency and electoral institution policymaking venues, while the median voter will clearly prefer either venue. As a result, it is reasonable to surmise that in these instances the median politician will have a strong incentive to comply with the median voter’s clear preference for a particular policymaking venue, all else being equal. Next, electoral institutions will have discretion over selecting the policymaking venue whenever the median
voter is indifferent between delegating policy to either the median politician or an administrative agency (*Political Discretion*). Finally, *Political Shirking* happens when the median politician’s preferences concerning choice of policymaking venue dissents from that which is preferred by the median voter. It is termed political shirking because the median politician’s preference is leading them to stray away from those elicited by their principal – the median voter.

How can we assess the manner in which each of these expected principal-agent outcomes are determined from the choice made by the elected representative, given the preferred choice of the median voter? Solving for the conditional expectation that each of these categorical descriptions of the principal-agent relationship between median voter and median politician can provide insight in the likelihood of a particular outcome occurring, given the corresponding decision rule employed by the median politician. This involves multiplying a particular conditional probability with the corresponding expected decision rule adopted by the median politician. Thus the conditional expectation of observing each of these four principal-agent relationship outcomes between the median voter and median politician are as follows:

\[
E(Active \text{ Political Responsiveness}) = E\left( P = A \middle| V = A \right) + E\left( P = P \middle| V = P \right)
\]

\[
= \left[ \frac{p_1 q_1}{p_1 q_1 + p_1 q_2 + p_1 q_3} \right] \left[ \frac{E\left( y_A^2 \right)}{E\left( y_V^2 \right)} \frac{(V_p - \overline{V}_A')^2}{(V_p - \overline{V}'_V)^2} \right] < \left[ \frac{E\left( \phi_A^2 \right)}{E\left( \phi_V^2 \right)} \frac{(I_p - I_A')^2}{(I_p - I_V')^2} \right]
\]

\[
+ \left[ \frac{p_3 q_3}{p_3 q_1 + p_3 q_2 + p_3 q_3} \right] \left[ \frac{E\left( y_A^2 \right)}{E\left( y_V^2 \right)} \frac{(V_p - \overline{V}_A')^2}{(V_p - \overline{V}'_V)^2} \right] > \left[ \frac{E\left( \phi_A^2 \right)}{E\left( \phi_V^2 \right)} \frac{(I_p - I_A')^2}{(I_p - I_V')^2} \right]
\]

\[
E(Passive \text{ Political Responsiveness}) = E\left( P = I \middle| V = A \right) + E\left( P = I \middle| V = P \right)
\]
\[
\begin{align*}
\frac{p_1q_2}{p_1q_1 + p_1q_2 + p_1q_3} \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &= \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
+ \left[ \frac{p_3q_2}{p_3q_1 + p_3q_2 + p_3q_3} \right] \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &= \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
\end{align*}
\]

\[
E(\text{Political Discretion}) = E\left(P = A \mid V = I\right) + E\left(P = I \mid V = I\right) + E\left(P = P \mid V = I\right) \tag{13.3}
\]

\[
\begin{align*}
\frac{p_2q_1}{p_2q_1 + p_2q_2 + p_2q_3} \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &< \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
+ \left[ \frac{p_2q_2}{p_2q_1 + p_2q_2 + p_2q_3} \right] \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &= \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
+ \left[ \frac{p_2q_3}{p_2q_1 + p_2q_2 + p_2q_3} \right] \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &> \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
\end{align*}
\]

and

\[
E(\text{Political Shirking}) = E\left(P = P \mid V = A\right) + E\left(P = A \mid V = P\right) \tag{13.4}
\]

\[
\begin{align*}
\frac{p_1q_3}{p_1q_1 + p_1q_2 + p_1q_3} \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &> \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
+ \left[ \frac{p_3q_1}{p_3q_1 + p_3q_2 + p_3q_3} \right] \cdot \left[ \frac{E(Y^2_A)}{E(Y^2_V)} \cdot \frac{(V_P - \overline{V}_A)^2}{(V_P - \overline{V}_V)^2} \right] &< \frac{E(\phi^2_V)}{E(\phi^2_A)} \cdot \frac{(I_P - \overline{I}_A)^2}{(I_P - \overline{I}_V)^2} \\
\end{align*}
\]

To summarize, (13.1) – (13.4) provides a direct lens into the principal-agent relationship between the median voter and median elected official in terms of policymaking venue selection outcomes.
This phenomenon is simply a function of the conditional probability of observing that particular outcome, multiplied by the corresponding expected decision rule of the median politician. The theoretical conditions for observing different types of policymaking venue choices, and hence, outcomes involving policy administration made by rational voters and politicians are delineated within the context of a representative democracy.

5. Implications for Understanding the Administrative State in a Representative Democracy

How do voters and elected officials base their decisions regarding which venue they wish to see policymaking take place? Furthermore, what are the various conditions by which elected officials will either be responsive or negligent to the preferences of voters? This study has attempted to provide some answers to these questions. This has involved a micro level decision-theoretic analysis of a macro-level phenomenon. The model proposed here shares a common spirit with recent work by Spence’s (1999b) on this subject given the nature of its focus on the relationship between voters, politicians, and agencies in terms of whether voters prefer to grant electoral institutions or administrative agencies policymaking authority if they had the means to do so.

This investigation has three major implications for understanding the role of policy administration within a representative democracy. First, actual policy choices that are made by government officials are affected by the venue in which it takes place. Therefore, assessing the relative expected net benefits associated with the selection of a policymaking venue, in terms of comparing the weighted expected relative policy values gap and weighted expected relative information asymmetry to one another, is a necessary antecedent condition when attempting to
account for the degree of democratic responsiveness exhibited in such policy choices. Second, delineating the conditions by which political responsiveness, political discretion, and political shirking occurs with respect to voters’ preferences provides us with an alternative means by which we can directly evaluate the extent to which democratic responsiveness occurs. Addressing this issue provides direct insight into John Stuart Mill’s notion of the elected representative serving as an agent of voters, which serves as the normative underpinning of principal-agent relationship between voters and their elected officials in a representative democracy.

Finally, the results of this study leads one to draw temperate conclusions regarding the benefits of agency policymaking. On one hand, much of the positive theory of public bureaucracy literature within political science subsumes that political control over the agency is necessarily a desirable property of representative democracy. This view implicitly treats bureaucratic autonomy from the political principal as a pathology of representative democracy. Such a perspective unfortunately discounts the legitimacy of the administrative state by inferring that democratic responsiveness cannot be reflected by the policy interests of voters independent of their elected representatives (Spence 1999b). Thus it may be possible for democratic responsiveness to be robust when administrative agencies are making policy in accordance with the wishes of voters, and it is not consistent with the policy preferences of elected officials. On the other hand, one cannot conclude that it is the norm for the benefits of agency policymaking to necessarily outweigh the benefits of electoral institutions making policy. Taking a view to the contrary, however, results in overstating the benefits of agency policymaking in a representative democracy.
While much remains to be explored on this topic, what remains clear from this particular study is that analyzing the expected decision rules for voters and politicians under conditions of uncertainty results in a theoretical articulation of the decision-making calculus underlying their preferred choices for selecting a policymaking venue. This is an important issue to address because the actual selection of a policymaking venue creates the structure by which the execution of public policy is conducted. This study has been an initial attempt to arrive at the theoretical conditions by which such choices are made, and also consider its larger significance for understanding the nexus between representative democracy and the administrative state.
References


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**TABLE 1**

Conditional Probability Matrix Involving the Voter’s and Politician’s Preferences Involving The Choice of Policymaking Venue in a Representative Democracy

<table>
<thead>
<tr>
<th>Politician’s Preference</th>
<th>Voter’s Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agency</td>
</tr>
<tr>
<td><strong>Agency</strong></td>
<td>[<strong>Active</strong>]</td>
</tr>
<tr>
<td><strong>Passive</strong></td>
<td>[<strong>Political Discretion</strong>]</td>
</tr>
<tr>
<td><strong>Political Shirking</strong></td>
<td>[<strong>Passive</strong>]</td>
</tr>
</tbody>
</table>

**Pr**_(V-A) = \( p_1q_1 + p_1q_2 + p_1q_3 \)

**Pr**_(V-I) = \( p_2q_1 + p_2q_2 + p_2q_3 \)

**Pr**_(V-P) = \( p_3q_1 + p_3q_2 + p_3q_3 \)