

QUIZ 3, POLITICAL ECONOMY

Part 1. Your girlfriend (or boyfriend) claims that as a relationship you should look for one that does not have a dictator in preferences, and any kind of preferences should be included and respected, what will you say ?

No it is not possible by Arrow's Impossibility Theorem

Part 2. The three last finalist in the Miss America contest presented the following ranking (1 is the most important one and 4 is the less important). Is it possible to aggregate their preferences to one that represents Miss America preferences ? Why?

	Cheese	Pizza	Beer	World Peace
Miss California	4	3	2	1
Miss Wisconsin	2	4	3	1
Miss New York	4	2	3	1

Note that none of these preferences violate transitivity. So we can get an aggregate

Part 3. The theory of the median voter suggests that politicians should aim to set policies that capture the preferences of the median voter. Why then, whenever you are trying to become more successful at dating you do not consider the opinion of the median guy or girl (Give me five possible and different reasons)?

Money, Personal Beliefs, Multidimensional characteristics, Number of candidates and full information