

general be lacking under a completely voluntaristic market-type system.

It is obviously true that political decisions, however they are reached, explicitly embrace and bind all units in the relevant jurisdiction. However, there is the evident danger, under a simple coercive system like majority voting, that the Pareto-desirable properties of voluntary exchange agreements may be completely lost. Wicksell himself therefore suggested the closest possible political approach to a purely voluntaristic system, namely a voting requirement of (relative) unanimity or minority veto (40). Any proposal failing the Pareto test is thereby effectively excluded. But can such an approach avoid the imperceptibility problem of a purely voluntaristic system in a large-number setting?

Wicksell seems to have thought that the possibility of vetoing any proposal for public goods supply creates an artificial increase in perceptibility. In other words possession of the veto somehow increases the individual's feeling of involvement with the rest of the community (41). Even if this is true, however, it may be of little real advantage as the individual may begin to behave strategically, vetoing even overwhelmingly Pareto-desirable proposals in an attempt to extract an even larger net benefit from his negotiations with the community (42). But in the large-numbers case the community as such does not exist and cannot respond. Since *nothing* can be provided in the face of the veto, even the limited public goods supply which might be achieved under a voluntaristic market-type system may not therefore be possible.

If, on the other hand, the individual recognises that the possession of the veto does not bring him into any genuine bargaining relationship with the rest of the community, Wicksellian consensus is likely to degenerate into a system of purely voluntaristic behaviour. Each individual contracts out of the consultation process, in effect leaving

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(40) See WICKSELL, *op. cit.*, especially pp. 87-97.

(41) This suggestion is based on Buchanan's perceptive analysis of the Wicksellian scheme. See, for example, *op. cit.* (1967), Ch. 9; and *The Demand and Supply of Public Goods* (forthcoming).

(42) The consideration of numerous alternative financing arrangements, as suggested by WICKSELL (*op. cit.*, pp. 89-90), would of course greatly increase the apparent scope for strategic behaviour. Probably in an attempt to overcome this problem, Wicksell modified his unanimity requirement to one of «approximate» unanimity. This should certainly help, but some of the advantages of unanimity may be lost in the process.