

# Resource allocation by frugal majority rule: an Arrowian possibility result \*

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In the context of a simple resource allocation problem, we propose a model of 'frugal aggregation' in which the information about an agent's type is restricted to her top choice under a general background assumption of separable and concave individual utility functions (without further eliciting individual preferences). We show that a suitable frugal version of majority rule is consistent (i.e. acyclic and decisive) and amounts to minimizing the sum of the natural resource distances to the individually proposed allocations, that is, it coincides in this model with the 'median rule.' We show that the set of 'frugal majority winners' represents a well-behaved and easily computable solution concept, and we provide a normative foundation in an Arrowian spirit of the corresponding choice function based on a 'frugal' independence condition.

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\*Based on a joint work with Klaus Nehring.