

Economics 496: Game Theory for Politicians

Instructor:

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Meeting times and place:

Mon. & Wed. 3:00-4:15
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Description :

The course studies rules of voting bodies, especially legislatures and city councils. The course also studies some lessons from game theory and political economy, and it applies the lessons to such voting bodies. Some particular topics that the course studies include: “the disappearing quorum,” sophisticated voting, agenda-setting strategies, and amendment techniques such as riders and poison pills. Students will participate in a mock legislature in which students elect leaders, decide committee rosters, write bills, make amendments to bills, write “rules” for considering bills, and vote on final passage of bills.

Required Books:

Dixit, Avinash, and Barry Nalebuff, *Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life*. 1991. New York: W. W. Norton & Co.

Stewart, Charles. *Analyzing Congress*. 2001. New York: W.W. Norton & Co.

Other Books (selections will be in reader or distributed in class)

Robert, Henry Martin, *21st Century Robert's Rules of Order*, edited by the Princeton Language Institute. 1995. New York: Dell Publishing.

Oleszek, Walter J., *Congressional Procedures and the Policy Process, Eight Edition.* 2007. Washington: Congressional Quarterly Press

Readings in course reader

(Numbers indicate the page number in the reader, which students can buy at the GMU bookstore. Other readings are available on the internet or will be distributed in class. Most of these are listed in the “tentative schedule” below.)

3. Krehbiel, “Pivotal Politics: A Foundation for Nonmarket Strategy,” pp. 1-9.
26. U.S. Constitution, Article 1
30. Hayek, Friedrich, *Constitution of Liberty*, pp. 150-4, 165-6, 178-9, 208-11
40. CQ Almanac 1977, pp. 735-8
44. Cheney and Cheney, Gingrich chapter
59. Congressional Record, January 7, 1997, read pp. H1-H4, H8, H10, H25, H26, skim the rest of the pages in H1-H27
85. Carr, Rebecca. “Using Weapons of Fax and Phone War Team Never Gave Ground,” *Congressional Quarterly Weekly Report*, Jan. 11, 1997. 117-9.
88. Barry, John M. 1989. *The Ambition and the Glory*. Penguin Books. pp. 20-29
93. “Willie Brown Ends Era as Speaker,” *The San Francisco Chronicle*, 6/6/95
96. “Brown’s Quieter Coup,” *The San Francisco Chronicle*, 6/7/95
122. O’Rourke, Chapter on Congress
131. “Man With a Mission,” Mathew Miller. *The New Republic*, July 19&26, 1999.
138. Shepsle, Kenneth, and Mark Bonchek. 1997. *Analyzing Politics*. New York: W.W. Norton. Pp. 49-71.
212. Eicher, “H.Res 1234”
177. Cheney and Cheney, Joe Cannon chapter
161. Groseclose, Tim, and Jeff Milyo. 2004. “A Simple Solution for a Group Choosing a Restaurant.”
194. Fenno, Richard. 1989. *The Making of a Senator*, Ch. 2
214. Riker, William. “Exploiting the Powell Amendment” from *The Art of Political Manipulation*
229. Earle, “Speaker, McCain duke it out.”
234. Barry, John M. *The Ambition and the Power*. 1989. Penguin Books. pp. 463-75.
250. Crabtree, Susan. 7/1/02. “GOP Whip Team Goes Into Overtime.” *Roll Call*.
257. “Special Report/Health” *CQ Weekly Report*.
270. Kaplan, “News: C-SPAN presses Pelosi on transparency”
272. “Riders”, 168-170 in 6th edition of Oleszek’s *Congressional Procedures and the Policy Process*
288. Wall Street Journal, 1993: 8/5, A12 “Congress’s Secret Drawer”
275. Gilligan, Thomas, and Keith Krehbiel. 1987. “Collective Decisionmaking and Standing Committees.” *Journal of Law, Economics, and Organization*. Fall 1987. Pp. 287- 9
315. Cheney and Cheney, Reed Chapter
329. Washington Times. May 4, 2001. “Democrats Stall Confirmations.”
332. “The Continuity of Congress,” John Fortier, pp. 20-23, *Extensions: A Journal of the Carl*

- Albert Congressional Research and Studies Center, Fall 2002*
336. The Record (Bergen County, New Jersey), 7/20/01, p. L7, "Lawmaker Urinates in Can During Meeting."
338. CQ Weekly Report, April 29, 1995, pp. 1157-9, "The Baron of the House Rules Committee..."
- Congressional Record, Sunday March 20, 2005. Pp H1699-H1701, H1727-H1728.
341. Smith, Hedrick, *The Power Game*, pp. 643-647, 652-655.
346. Elving, John. 1995. *Conflict and Compromise*. pp. 238-242
349. Dick Armey, Bomb Thrower," *Economist*, March 6, 1993, p. 30.
350. Smith, Stephen. "Blame Game Strategy by Congressional Republicans."
356. Barlett, Bruce. "A Strategic GOP Bungle."
362. Groseclose, "Notes on Building and Maintaining Coalitions"
370. O' Neill, Tip, *Man of the House*. 1987. St. Martin's Press. pp. 154-7.
368. Woodward, Bob. *The Agenda*. 1994. Simon&Schuster. pp. 300-2.
372. Kuntz, Phil, and George Hager. "Showdown on Clean-Air Act: Senate Says No to Byrd." Congressional Quarterly Weekly Report, 3/31/90, 983-87.
377. "South Gate Mayor Slugs Councilman," *Los Angeles Times* (Valley Edition), p. B1
381. "Democrats Force Delay of Bolton Final Vote," *Washington Post*, Thursday, May 26, 2005. By Anne Gearan.
383. CQ Weekly Report, July 20, 1991, Janet Hook, "Senate's Ban on Honoraria Marks End of an Era." pp. 1955-61
392. Tolchin, Martin, New York Times, 9/22/82, "When Members Change Their Votes." Barry (book on Jim Wright), pp. 111-6

Student Responsibilities:

Grading: Your grade will be based on the following factors:

Homework assignments: 15
Course Project: 15
Class Participation: 20
First Midterm: 25
Second Midterm: 25

Given the nature of the course and especially the mock legislature that will take place within the course, class participation is *mandatory*. Class participation, including sessions of the mock legislature will comprise 20% of the grade. Homework, including written assignments for the mock legislature (e.g. the bill you write, the description of you and your district, amendments, etc.) will comprise 15% of the grade. The first midterm exam will count 25%, and the second midterm exam will count 25%. An additional course project will comprise 15% of your grade. There will be no final exam.

Course Project: For the project you are required to find a newspaper or magazine article that discusses an *anecdote* (say, a roll call vote) that illustrates at least one of the *concepts* from the class. Some examples of concepts are: the median voter theorem, strong-party government,

sophisticated voting, gatekeeping power, blame-game politics, a vanishing quorum, etc. The newspaper or magazine article must be no longer than four pages (you may delete paragraphs or pages, if you need to). Plus, you must write a 2-8 page paper analyzing the article. The analysis must include a discussion of why the article and the anecdote it describes illustrate a concept of the course. Near the two-thirds mark of the course, we will read a paper by Stephen Smith. Smith is a former student of the course, and his paper was written as a project for the course. The article written by Bruce Bartlett was the magazine article that Smith turned in as part of his project. The following are some good resources to find an anecdote. Newspapers: Washington Post, NY Times, Wall St. Journal. Magazines: Congressional Quarterly Weekly Report, National Journal, Roll Call, The Hill, The New Republic, The Weekly Standard, National Review, The Nation, Mother Jones. Biographies of members of Congress: Man of the House (Speaker Tip O'Neill), The Ambition and the Power (Speaker Jim Wright, by John Barry), In the Fullness of Time (Senator Paul Douglass), or any other biography. Also, unassigned readings from some of the required books for the class may have some good anecdotes. The project is due on the last day of class. However, you will be allowed to turn it in later (but no later than the last day of finals week) and be assessed a small penalty. Part of your grade depends on the originality of the anecdote. If you discover a good anecdote, you may email the t.a. of the course and describe the anecdote. If you're the first to do this about the particular anecdote, you will receive full credit for the anecdote.

Mock Legislature: Throughout the course we will simulate aspects of the House of Representatives. First, you will be required to select a district and a party. Next, you will write a blurb about you and your district, similar to those found in the Almanac of American Politics. Next, we will vote on a Speaker (I will select temporary party leaders on whom you will vote) and possible rule changes. Then, you will submit committee preferences, and then we'll follow House procedures for converting these preferences into assignments. Next, each student will write a bill; committees will mark-up these bills; then the rules committee will write a procedure for considering the bill. After this, we'll choose a day for which the whole House will be in session, and you will vote on procedures the Rules Committee has chosen. On another day, near the end of the course, the whole House will vote on amendments and final passage of bills. Along the way, we will simulate various other aspects of the House. For instance, one day each student will write a "one minute" (a speech on national policy or a special occurrence in his or her district). Also, along the way I may choose students for special assignments. For instance, one of these might be to try to build a coalition to change House rules mid-session. Another might be to initiate a discharge petition to pry a bill from a recalcitrant committee.

Late homework assignments: You are responsible for turning in assignments *at the beginning of class*, the day it's due. If you do not make that deadline, you can still turn it in, but as a penalty, I'll multiply your grade on the assignment by .70. This penalty is assessed for assignments that are turned in at the end of class or in the middle of class. For mock legislature sessions you must attend class. There is no substitute, nor any way to receive credit for late participation. For example, just as in the actual House, you don't get to cast a late vote the day after, if you miss a session.

Early and Late exams: If you cannot take an exam on the scheduled date, you can always take it *early*, if you are willing to take it at 7:30am on an alternative day. To schedule an alternative

time, you must request this, at least 7 days in advance of the scheduled exam. In contrast, *I will not schedule late exams*. If you miss an exam due to illness, a death in the family, or other extreme circumstance, you can take the test late. However, I may require proof, such as a doctor's note. If you need to take the test late and you do not have such an extreme circumstance as an excuse, (e.g you missed the test because your alarm clock broke) you can still take the test; however, as a penalty, I'll multiply your grade by .70.

Missing Class: If you do miss a class you are best off if you do not advertise it. For example, if you miss class, it is wise not to ask me or the t.a. for a handout that was given in class; you're better off asking one of your classmates. Also, because I often write test questions in my notes, as a hard and fast rule, I do not let students borrow my notes.

Academic Honesty. Unless I say otherwise, all of the work you do in this course, including homework assignments, is expected to be your own. Absolutely no cheating or plagiarism (using someone else's words or ideas without proper citation) will be tolerated. Any cases of cheating or plagiarism will be reported to the university committee on academic misconduct and handled according to university policy.

Plagiarism: Plagiarism is the act of stealing the ideas and/or the expression of another and representing them as your own. It is a form of cheating and a kind of academic misconduct which can incur severe penalties. It is important, therefore, that you understand what it consists of, so that you will not unwittingly jeopardize your college career.

Plagiarism can take several forms. The most obvious form is a word-for-word- copying of someone else's work, in whole or in part, without acknowledgement, whether that work be a magazine article, a portion of a book, a newspaper such verbatim use of another's work must be acknowledged by (1) enclosing all such copied portions in quotation marks and by (2) giving the original source either in the body of your essay or in a footnote.

A second form of plagiarism is the unacknowledged paraphrasing of the structure and language of another person's work. Changing a few words of another's composition, omitting a few sentences, or changing their order does not constitute original composition and therefore can be given no credit. If such borrowing or paraphrase is ever necessary, the source must be scrupulously indicated by footnotes.

Disability. Students with disabilities are responsible for making their needs known to the instructor, and seeking available assistance, in the first week of the semester.

Tentative Schedule

1-Wed. (Introduction, students choose parties and districts)

2-Mon. Class is canceled.

2-Wed. (proof of median voter theorem, constitutionality of chamber rules)

Dixit, Preface and Introduction, Chapter 10 Section 2.

Stewart, 7-23, 397-407

3. Krehbiel, "Pivotal Politics: A Foundation for Nonmarket Strategy," pp. 1-9.

Robert, Chapters 1-3.

Oleszeck, pp. 1-7

26. U.S. Constitution, Article 1

3-Mon. (statute, U.S. Code, rule of law)

30. Hayek, Friedrich, *Constitution of Liberty*, pp. 150-4, 165-6, 178-9, 208-11

Furchtgott-Roth, Diana, "NLRB: Obama Bludgeons the Constitution,"

<http://bit.ly/yLqfnq> or

http://www.realclearmarkets.com/articles/2012/01/12/nlr-obama-bludgeons-the-constitution_99456.html.

40. CQ Almanac 1977, pp. 735-8

44. Cheney and Cheney, Gingrich chapter

59. Congressional Record, January 7, 1997, read pp. H1-H4, H8, H10, H25, H26, skim the rest of the pages in H1-H27

85. Carr, Rebecca. "Using Weapons of Fax and Phone War Team Never Gave Ground," *Congressional Quarterly Weekly Report*, Jan. 11, 1997. 117-9.

3-Wed.:

1. examples of One-minutes.

Re-read: Robert, Chapters 1-3.

Stewart, Ch. 2.

4-Mon. (party-government model, electing caucus leaders)

88. Barry, John M. 1989. *The Ambition and the Glory*. Penguin Books. pp. 20-29

93 "Willie Brown Ends Era as Speaker," The San Francisco Chronicle, 6/6/95

96. "Brown's Quieter Coup," The San Francisco Chronicle, 6/7/95

~~98.~~ Cheney and Cheney: Rayburn chapter

Stewart, pp. 265-281

4-Wed. (Representatives and their districts)

122. O'Rourke, Chapter on Congress

Letter from Rep. X

Stewart, pp. 23-41

5-Mon. (Intransitivity of majority rule)

131. "Man With a Mission," Mathew Miller. *The New Republic*, July 19&26, 1999.

138. Shepsle, Kenneth, and Mark Bonchek. 1997. *Analyzing Politics*. New York: W.W. Norton. Pp. 49-71.

5-Wed. (Determining the membership of committees, writing bills)

212. Eicher, "H.Res 1234"
"It's only February." *National Journal*. 2/4/89. p. 269.
168. Congressional Record, January 7, 2003, H20.
Re-read Stewart, pp. 265-6.
Stewart: Pp. 313-323
177. Cheney and Cheney, Joe Cannon chapter

6-Mon. (problems with majority rule)

Mollenkott, Virginia, "Striving for Equity: Overcoming Tyranny of the Majority"
<http://www.thewitness.org/archive/nov2000/strivingequity.html>
(Re-read) 138. Shepsle and Bonchek, pp. 49-71
161. Groseclose, Tim, and Jeff Milyo. 2004. "A Simple Solution for a Group Choosing a Restaurant."

6-Wed. (Co-sponsorship, bill referral)

Oleszek, 93-98
194. Fenno, Richard. 1989. *The Making of a Senator*, Ch. 2

7-Mon. (Amendments and Sophisticated Voting)

214. Riker, William. "Exploiting the Powell Amendment" from *The Art of Political Manipulation*
Stewart: 41-5, 390-4
Dixit, Chapter 10, sections 3, 5, 6
229. Earle, "Speaker, McCain duke it out."

7-Wed. (Rules for voting, Nash equilibrium, more on soph. voting)

Dixit, 74-80 ("Nash Equilibrium"), Ch. 7 Ch. 10 section 1
~~233.~~ Davidson and Oleszek: p. 375
234. Barry, John M. *The Ambition and the Power*. 1989. Penguin Books. pp. 463-75.
44. (reread) Cheney & Cheney, pp. 197-8 (in the Gingrich chapter)
250. Crabtree, Susan. 7/1/02. "GOP Whip Team Goes Into Overtime." *Roll Call*.
257. "Special Report/Health" *CQ Weekly Report*.
Groseclose and Milyo. 2009. "Sincere Versus Sophisticated Voting in Congress: Theory and Evidence." Pp. 1-12. (Skim the mathematical parts if you can't understand them.)
<http://www.sscnet.ucla.edu/polisci/faculty/groseclose/Working.Papers/Soph.Vot.JOP.galley.version.pdf>
270. Kaplan, "News: C-SPAN presses Pelosi on transparency"

8-Mon. (continuation of 7-Wed. topics)

8-Wed. (review for midterm)

9-Mon. (Midterm exam)

9-Wed. (Committees: Closed rules and gatekeeping)

3. Krehbiel, Keith. "Pivotal Politics..." pp. 9-20 (Note that this is near the beginning of your reader)
Olezeck, 65-66 ("Germaness," "Reigning in a Popular Device"), 119-28 ("Committee Markup Procedure," ... "Bypassing Committees"), 149-56 ("Traditional Types of Special Rules," ... first seven paragraphs of "Creative Rules for the House"), 192-97 ("The Five-Minute Rule", ... "Committee and Floor Amendments"),

10-Mon. (Committees: closed-rule and gatekeeping, continued. Discharge petition)

Oleszek: 283-88 ("Procedures to Circumvent Committees" [entire section]) 165-68 ("The Discharge Petition," ... "Discharging the Rules Committee"),
272. "Riders", 168-170 in 6th edition of Olezeck's *Congressional Procedures and the Policy Process*
Stewart: 376-8
288. Wall Street Journal, 1993:
8/5, A12 "Congress's Secret Drawer"

10-Wed. (Intro to Rules Committee, Intro Signaling game exercise)

Gilligan, Thomas, and Keith Krehbiel. 1987. "Collective Decisionmaking and Standing Committees." *Journal of Law, Economics, and Organization*. Fall 1987. Pp. 287- 9
Krehbiel, Keith. 1991. *Information and Legislative Organization*. Pp. 66-84.

11-Mon. (More on signaling games)

11-Wed. (Filibusters and vanishing quorums)

Stewart: 114-6, 386-9
315. Cheney and Cheney, Reed Chapter
329. Washington Times. May 4, 2001. "Democrats Stall Confirmations."
332. "The Continuity of Congress," John Fortier, pp. 20-23, *Extensions: A Journal of the Carl Albert Congressional Research and Studies Center*, Fall 2002
336. The Record (Bergen County, New Jersey), 7/20/01, p. L7, "Lawmaker Urinates in Can During Meeting."

Distribute: Congressional Record, Sunday March 20, 2005. Pp H1699-H1701, H1727-H1728.
Distribute Oleszek, 132-40 (don't read "District of Columbia Legislation"), 142-68, 178-80
("Adoption of the Rule")

12-Mon. (Scheduling Legislation and the Rules Committee)

Groseclose, Tim, <http://ricochet.com/main-feed/The-Extraordinary-Way-that-the-House-Passed-the-Payroll-Tax-Extension>

Oleszek, 132-40 (don't read "District of Columbia Legislation"), 142-68, 178-80 ("Adoption of the Rule")

338. CQ Weekly Report, April 29, 1995, pp. 1157-9, "The Baron of the House Rules Committee..."

Congressional Record, Sunday March 20, 2005. Pp H1699-H1701, H1727-H1728.

12-Wed. (Blame Game Politics)

341. Smith, Hedrick, *The Power Game*, pp. 643-647, 652-655.

346. Elving, John. 1995. *Conflict and Compromise*. pp. 238-242

349. Dick Armey, Bomb Thrower," *Economist*, March 6, 1993, p. 30.

350. Smith, Stephen. "Blame Game Strategy by Congressional Republicans."

356. Barlett, Bruce. "A Strategic GOP Bungle."

Oleszek, p. 266, "Second-Degree Strategy"

13-Mon. (Vote Buying/Building Coalitions)

Groseclose, "Notes on Building and Maintaining Coalitions"

370. O' Neill, Tip, *Man of the House*. 1987. St. Martin's Press. pp. 154-7.

Stewart: 280 (Marjorie Margolis Mezvinsky)

368. Woodward, Bob. *The Agenda*. 1994. Simon&Schuster. pp. 300-2.

13-Wed.

372. Kuntz, Phil, and George Hager. "Showdown on Clean-Air Act: Senate Says No to Byrd." Congressional Quarterly Weekly Report, 3/31/90, 983-87.

14-Mon. (Miscellaneous Floor voting topics)

Olezeck, 176-210 (all of Ch. 5). [pp. 153-83 in 7th ed.] [pp. 153-184 in 6th ed.]

377. "South Gate Mayor Slugs Councilman," *Los Angeles Times* (Valley Edition), p. B1

381. "Democrats Force Delay of Bolton Final Vote," *Washington Post*, Thursday, May 26, 2005. By Anne Gearan.

14-Wed.

Dixit, Chapter 9

Stewart: 151-2 [1st ed. 142-3.]

383. CQ Weekly Report, July 20, 1991, Janet Hook, "Senate's Ban on Honoraria Marks End of an Era." pp. 1955-61

392. Tolchin, Martin, New York Times, 9/22/82, "When Members Change Their Votes." Barry (book on Jim Wright), pp. 111-6

15-Mon. (Review for 2nd Midterm)

15-Wed.

2nd Midterm.