

# **Economics 496: Game Theory for Politicians**

**(cross-listed as Government 307: Legislative Behavior)**

## **Instructor:**

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## **Meeting times and place:**

Tues. & Thurs. 1:30-2:45  
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## **Teaching assistant:**

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## **Description :**

The course studies rules of voting bodies, especially legislatures and city councils. The course also studies some concepts from game theory and political economy, and it applies the concepts to voting bodies. Some particular concepts 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 Readings**

**(I will post some class readings onto a Dropbox account. Once I have your email address, you should soon receive an invitation from Dropbox to join a group called something like “GameTheoryForPoliticians.” You should be able to click on a box in your email message and that will direct you to the readings.)**

### **Student Responsibilities:**

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

Homework assignments: 15

Course Project: 15

Class Participation: 15

Quizzes: 5

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 15% 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. At the beginning of most classes, I will give a short quiz to test whether you did the assigned reading. These quizzes will comprise 5% of your grade.

*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 committee 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. The whole House will also 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.

*Quizzes:* At the beginning of most class periods, I'll give a short quiz. These will involve a few or sometimes even one question. They will test whether you did the assigned reading for that day. Rather than give a separate grade for each quiz, all the quizzes will comprise one test, where each question receives the same weight. The percentage of these questions that you answered correctly will be your quiz grade. If you take the quiz late (say because you were late or missed class), I'll ask different questions than the ones that the rest of the class answered (and often they will be more difficult than the original questions). If you do not have a valid excuse for missing the class (an illness [with a doctors note] or a death in the family are pretty much the only ones), then I'll multiply your score by .5.

*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 quarter.

## **Tentative Schedule**

**The semester has 30 class periods scheduled, plus a day for the final. I've scheduled 28 lectures and exams. That is, I'm planning on 3 classes having to be canceled due to snow (or possibly some other unforeseen event). If fewer than 3 classes are canceled, we won't need to meet during finals week, and we can all begin summer break early.**

**The following are the topics I plan for those 28 lectures and exams.**

### **1. Introduction, students choose parties and districts**

Info sheet

Distribute Robert, Ch. 1-5  
Intro to class, Nancy Kassebaum anecdote  
enter ADA scores,  
choose Repub or Dem  
Assign districts, party  
Anecdotes about politicians knowing other legislators' preferences (woman senator in Md.; Mickey Edwards as Whip)  
Minimum-Wage vote  
state median voter theorem

## **2. Proof of median voter theorem, constitutionality of chamber rules**

Dixit, Preface and Introduction, Chapter 10 Section 2.  
Stewart, 7-23, 397-407  
Krehbiel, "Pivotal Politics: A Foundation for Nonmarket Strategy," pp. 1-9.  
Robert, Chapters 1-3.  
Oleszek, pp. 6-7, Major Sources of House and Senate Rules"  
U.S. Constitution, Article 1  
Grosseclose, "The Rule of 13 in House and Senate Elections," <https://ricochet.com/rule-13-house-senate-elections/>

## **3. Statute, U.S. Code, rule of law**

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](http://www.realclearmarkets.com/articles/2012/01/12/nlr_obama_bludgeons_the_constitution_99456.html).  
Carr, Rebecca. "Using Weapons of Fax and Phone War Team Never Gave Ground," *Congressional Quarterly Weekly Report*, Jan. 11, 1997. 117-9.

## **4. U.S. Constitution ("Status quo is privileged"), Parliamentary Procedure**

(re-read) Robert, Chapters 1-3. (In session 2 readings.)  
Stewart, pp. 72-3.

## **5. Party-government model, electing caucus leaders**

Examples of One-minutes.  
Barry, John M. 1989. *The Ambition and the Glory*. Penguin Books. pp. 20-29  
"Willie Brown Ends Era as Speaker," *The San Francisco Chronicle*, 6/6/95  
"Brown's Quieter Coup," *The San Francisco Chronicle*, 6/7/95  
VandeHei, "GOP Liberals Are Key to Tax Cut"

Eilperin, "Maine's Rebel with a Moderate Cause"  
Weisman, "\$350 Billion Economic Plan Is Sent to Bush"  
CQ Weekly Report, "Baron of Rules Committee is Brought to Heel by Speaker Sam"

## **6. Representatives and their districts**

O'Rourke, Chapter on Congress, from *Parliament of Whores*  
Letter from Anonymous Representative

## **7. Intransitivity of majority rule**

Shepsle, Kenneth, and Mark Bonchek. 1997. *Analyzing Politics*. New York: W.W. Norton. Pp. 49-59.  
Stewart, pp. 23-41 (Two dimensions & cycling)

## **8. Determining the membership of committees, writing bills**

212. Eicher, "H.Res 1234"  
"It's only February." *National Journal*. 2/4/89. p. 269.  
Congressional Record, January 7, 2003, H20.  
Re-read Stewart, pp. 265-6 (party ratios on committees)  
Stewart: Pp. 313-18 (how committee seats and chairs are distributed)  
The section, "Representative Joseph 'Uncle Joe' Cannon, Speaker of the House"  
<https://uschs.wordpress.com/tag/joe-cannon/>  
Davidson & Oleszek, pp. 202-5, 211-2

## **9. Problems with majority rule, Arrow's Theorem**

Lani Guinier, "Tyranny of the Majority," pp. 1-7  
Shepsle and Bonchek, pp. 63-71  
Groseclose, Tim, and Jeff Milyo. 2004. "A Simple Solution for a Group Choosing a Restaurant."

## **10. Co-sponsorship, bill referral**

Oleszek, 8<sup>th</sup> ed., 93-94, 97-98  
194. Fenno, Richard. 1989. *The Making of a Senator*, Ch. 2

## **11. Amendments, Sophisticated Voting, Mixed Strategies, and the Matching Pennies Game**

214. Riker, William. "Exploiting the Powell Amendment" from *The Art of Political Manipulation*  
Stewart: 41-5, 390-2  
Dixit, Chapter 10, sections 3, 5, 6  
Dixit, 74-80 ("Nash Equilibrium"), pp. 168-172 (Mixed Strategies)

## **12. Rules for voting, Nash equilibrium, more on soph. voting**

Barry, John M. *The Ambition and the Power*. 1989. Penguin Books. pp. 463-75.  
Cheney & Cheney, pp. 197-8 (in the Gingrich chapter)  
Oleszek, 9<sup>th</sup> edition, p. 225  
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>  
Or here: <http://33ux0g3fjal71vx9fd44q7db.wpengine.netdna-cdn.com/wp-content/uploads/2015/10/Soph.Vot.JOP.galley.version.pdf>  
(Or go to [timgroseclose.com](http://timgroseclose.com), click on Extras, then Additional Research, then Academic Stuff, then go to the link for my working papers, then click on "Sincere Versus Sophisticated Voting in Congress: Theory and Evidence")

## **13. Sophisticated voting, position-taking**

Re-read Groseclose and Milyo, "Sincere Versus Sophisticated Voting..."  
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"

## **14. Review for Midterm**

## **15. Midterm**

## **16. Committees: Closed rules and gatekeeping**

Krehbiel, Keith. "Pivotal Politics..." pp. 9-20  
Oleszek, 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"),

## **17. Committees: closed-rule and gatekeeping, continued. Discharge petition, The Rider Tactic**

Olezeck, 8<sup>th</sup> ed., 65-67 (“Germaness,” “...Policy Riders on Appropriations bills”), 119-21 (“Committee Markup Procedure,”), 127 “Bypassing Committees” just the first paragraph), 283-88 (“Procedures to Circumvent Committees” [entire section]) 165-68 (“The Discharge Petition,” “Rules Committee’s Extraction Power,” “Discharging the Rules Committee”), “Riders”, 168-170 in 6<sup>th</sup> edition of Olezeck’s *Congressional Procedures and the Policy Process*

Earle, “Speaker, McCain duke it out.”

Stewart: 376-8

Wall Street Journal, 1993:

8/5, A12 “Congress’s Secret Drawer”

## **18. Intro to Rules Committee, Scheduling Legislation in the House**

Groseclose, “Scheduling Legislation in the House, Abridged Version”

Congressional Record, May 9, 2003, pp. H3864 –H3902. Read only the parts I asterisked.

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

Oleszek, 8<sup>th</sup>. ed. 132-40 (don’t read “District of Columbia Legislation”), 144-51 (Scheduling Legislation in the House), 157-8 (“Self-Executing Rules) 178-80 (“Adoption of the Rule’)

Re-read CQ Weekly Report, April 29, 1995, pp. 1157-9, “The Baron of the House Rules Committee...”

## **19. Crawford-Sobel Signaling Game**

Krehbiel, Keith. 1991. Information and Legislative Organization. Pp. 66-84.

Groseclose, Left Turn, pp. 55-57, 216-18

Groseclose, “Rules for Committee/Floor Signaling Game”

## **20. Blame-Game Politics**

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

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

Smith, Stephen. “Blame Game Strategy by Congressional Republicans.”

Barlett, Bruce. “A Strategic GOP Bungle.”

Oleszek, 5<sup>th</sup> ed., 266 (“Second-Degree Strategy”)

## **21. Filibusters and vanishing quorums**

Stewart: 114-6, 386-9



Cheney and Cheney, Reed Chapter, pp. 96-7, 104-7

“The Continuity of Congress,” John Fortier, pp. 20-23, *Extensions: A Journal of the Carl Albert Congressional Research and Studies Center*, Fall 2002

The Record (Bergen County, New Jersey), 7/20/01, p. L7, “Lawmaker Urinates in Can During Meeting.”

## **22. Rules Committee meets**

Rules Committee meets

## **23. Coalition-Building/Vote-Buying**

Groseclose, “Notes on Building and Maintaining Coalitions”

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

Stewart: 280 (Marjorie Margolis Mezvinsky)

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

## **24. Case Study on Coalition-Building: Byrd Amendment to Clean Air Act**

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

## **25. Price Discrimination in Vote Buying, Floor votes for Class’s Mock Legislature**

## **26. Reconsideration, More Floor Votes for Class’s Mock Legislature**

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

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

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

## **27. Stag Hunt Game, Coordination Games, Grade-Raise Vote, Review for 2<sup>nd</sup> Midterm**

Dixit, Chapter 9

Stewart: 151-2 [1<sup>st</sup> ed. 142-3.]

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

## **28. 2<sup>nd</sup> Midterm**