This course is an introduction to modern institutional analysis (MIA). MIA studies the logic, structure, operation, and social importance of political institutions. The underlying philosophy of MIA is that all political institutions involve a relatively limited repertoire of “strategic situations.” By learning how to recognize and how to analyze these strategic situations in different guises, one acquires a set of tools that afford deep insight into virtually any political institution.

In accord with this philosophy, the course –

- Introduces students to some of the main strategic situations commonly encountered in modern institutional analysis (“nuts and bolts”)
- Drills students in pattern recognition (distinguishing nuts from bolts)
- Illustrates MIA in a wide variety of settings (building things with nuts and bolts)
- Surveys some of the “greatest hits” of MIA (appreciating nuts and bolts)

The ultimate aim is to teach students how to think in models.

Our selection of “strategic situations” is necessarily limited but includes most of central importance in MIA. The applications depend on student interest (explained shortly). But, the range on offer is wide – very wide. Because legislatures, courts, chief executives, electoral systems (including votes and political parties), and interest groups are so important for the fields of bureaucracies American and Comparative Politics, most weeks include applications from these institutions. But the potential applications address many other political institutions as well, ranging from private orderings to international law, from blood feuds to military alliances, and many others.

The course is intended primarily for first-year doctoral students in political science, public policy, and political economy. Because of this focus, the course puts comparatively less emphasis on technical detail and comparatively more on intuition and pattern recognition, than Politics 542 or the methods courses. Some of the readings are very easy; some are quite challenging. I encourage you to try at least some of the difficult ones (see below). In fact, Politics 541 is designed to complement the first year methods courses in the Politics Department by showing students what they will be able to do with the skills they are ever-so-painfully acquiring. As you learn more in those courses, you will be able to master more challenging applications in this one – and begin to construct your own applications too.

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1 Time prohibits consideration of institutional applications of matching games, screening games, games in and over social networks, and games involving social learning.
Class Organization and Student Requirements

Each week, you should read and spend some time thinking about the “theory” material. The lecture will address this material. For example, in Week 4 the theory and lecture concern Coordination. After the lecture you may want to re-read the material to deepen your understanding and dip into an optional reading.

The following week (if you write that week), you will write one of two kinds of papers. The first is a “book report” on an application from the preceding week, e.g., in Week 5 one of the Coordination applications. A “book report” will generally be 4 or 5 pages in length and have three parts. First, you should summarize the reading, including a terse presentation of its theoretical model (if theory) or research design and empirical strategy (if empirical). Second, you should relate the paper to the strategic dilemma presented in the previous week’s theoretical readings. You may do this formally (mathematically) or conceptually, but this part of a book report is obligatory. Third, you should go on to discuss the reading from other perspectives. How you do this is up to you, but you might want to address its contribution to political scientific theory, its empirical implications and testability, logical extensions, the adequacy of its research design or the tightness of the link between theory and data, its relation to readings from previous weeks or readings from your other courses, its applicability or adaptability to other research areas, and so on. You can address alternative assumptions, alternative empirical strategies, and so on. In short, in the third part of your book report you should try to say something interesting and analytical about the reading. You will present the report in class and share your written analysis with the class.

In the second kind of paper (a “my idea” paper), you address a research topic of interest to you, explain how and why it is driven by the strategic dilemma under consideration, and offer some preliminary notes on how to analyze it as an example of the strategic dilemma under consideration. I will be happy to discuss your ideas and make suggestions.

You should write about every other week, once we reach the “applications” material in Week 3. As there are 12 classes, you should write 4 papers. I will often ask you present your paper in class and elaborate/expand/justify parts of it. I will grade the papers pass, fail, high pass.

There will be a brief final exercise, asking you to identify some strategic situations in some institutional settings, and suggest some avenues for analyzing it (or them).

Availability of Readings

There is no text book on modern institutional analysis. For some weeks I have written lecture notes, Lectures on Modern Institutional Analysis. As I make changes and additions, I will post them. Realistically, though, there will be weeks when my notes will not be written or will consist mostly of pneumonics to myself.

Of the required “theory” readings, everything that can be placed on-line will be available via Blackboard, or links will be given if possible. It is your responsibility to find the applied readings you choose; generally they are readily available on line.
Prerequisites
This is a course for first- or second-year graduate students; I don’t assume you know any Political Science. But it is a graduate course. We really do real Political Science. This has implications about methods.

In particular, if you are a first year student, you should be taking the first semester of the game theory sequence concurrently with this course, unless you are so well prepared that you have passed out of the course. Consequently, you should already own a copy of McCarty and Meirowitz’s Political Game Theory, which undoubtedly you will want to consult many times over the semester. However, if you desire a small quick primer on material that will be used over and over in the readings, I suggest you spend a weekend with the Appendix to Jean Tirole’s Theory of Industrial Organization. A copy is on reserve.

You should already have taken the first semester of quantitative analysis and now be taking the second. But again, if you wish a quick primer on material that appears virtually every week, I suggest spending a few days with Chris Achen’s little book Interpeting and Using Regression. Copies are on reserve.

Schedule of Classes

1. Introduction 9/19
   a. What are institutions?
   b. Why study them?
   c. History of MIA
   d. How should we study institutions?
   e. How much do we know?
   f. What next?
2. Actors and Institutions 9/26
   a. Summary of strategic situations
   b. Varieties of Political Institutions
   c. Motivations of Actors in Political Institutions
   d. Institutions as Bundles of Strategic Situations
3. Three Fundamental Concepts 10/3
   a. Power
   b. Welfare
   c. History
   d. Applications
4. Coordination 10/10
   a. Presentations on power or history
   b. Coordination – Theory
   c. Coordination -- Applications
5. Collective Action 10/17
   a. Presentations on Coordination applications
II. Syllabus of Readings

1. Introduction

Main themes: What are political institutions? Why bother to study them? How should we study them? What is the history of institutional analysis? What is the MIA way? As political scientists, what do we know?

Lectures on Modern Institutional Analysis, Lecture 1.

1.1 What Do We Mean by “Political Institutions”?

Main themes: Hair splitting is tedious and jejune. We just mean any situation involving politics that is sufficiently structured so that it makes sense to talk about “the rules of the game.” Often we are interested in the formal institutions of democracy. But we don’t have to be.

Optional
Douglas North, definitions of institutions.
Randall Calvert, ditto.
1.2 Why Study Political Institutions?
Main themes: Economic growth, human rights, public order and the provision of public goods seem to be positively associated with some institutional arrangements and negatively associated with others. And, political institutions shape policy outcomes in general. Accordingly, understanding how political institutions work (and fail to work) is a worthwhile intellectual endeavor.

*Required*
Peruse for substantive overview, but not for technical details:


*Optional*


1.3 The History of Institutional Analysis

*Required*
None

*Optional*

V.O. Key, *Southern Politics in State and Nation*. Skim, read pp. __.
Stanley Kelly, “Introduction” to Anthony Downs *An Economic Theory of Democracy*

1.4 How to Study Institutions the MIA Way?

Cameron and Park, “Congressional Hearings and Supreme Court Nominations.” Chapter from Andrew Gelman (ed) *A Quantitative Tour of the Social Sciences*. 
1.5 How Much Do We Really Know Empirically?
Main theme: Is there Trouble in River City? Apply the framework below to any empirical article in a recent issue of the APSR. What conclusion should you draw?

http://www.plosmedicine.org/article/info%3Adoi%2F10.1371%2Fjournal.pmed.0020124
Charles Cameron, “Comments on Stra and Spriggs: The Methodology of Multiple Unstructured Hypotheses (MUSH)” link.

Optional

2 Actors & Institutions
Main themes: 1) What are the main “strategic situations” for introductory MIA? 2) What are the main political institutions we care about, and what are some important things to know about them? How do political scientists currently think about those institutions? 3) What do people in institutions care about? What are they trying to accomplish? How should we think about that? 4) How do strategic situations map into these organizations? Legislatures, courts, executives, bureaucracies, electoral systems, interest groups, political parties, the media, and dictatorships are all interesting, but in somewhat different ways.

Cameron, Lectures on Modern Institutional Analysis. Lecture 2.

2.1 Varieties of Strategic Situation
Main themes: A quick overview of the strategic situations we study. Think about them as you read the following material.

2.2 Types of Political institutions
Main themes: What are the most important or key features of a legislature, a court, a bureaucracy, an executive, a political party, an interest group, and the media?

Legislatures and Congress

Optional

Keith Krehbiel, Chapter 2 in Organization book


Courts and Law

Cameron and Kornhauser, “Theorizing the U.S. Supreme Court,” Oxford Research Encyclopedia of Politis (September 2016)

John Kastellec, “The Judicial Hierarchy” in ibid


Executives and the President


Shugart & Carey, selections on powers of presidents.

Optional


Bureaucracy and Agencies


James Q. Wilson, Bureaucracy, selections.

Electoral Systems, Parties, and Voters


Highly Recommended

Roger Myerson. 1999. “Theoretical Comparisons of Electoral Systems,” rather difficult piece but deep. Serious students of electoral systems will want to return to this when they have more tools.

Interest Groups


The Media
http://onlinelibrary.wiley.com/doi/10.3982/ECTA7195/abstract;jsessionid=8FAEAC70F9D2E31D3B4FEE84A4BC39D8.d01t02

Optional

2.3 Motivations of Actors in Political Institutions

Legislators
Richard Fenno, *Congressmen in Committee*, selections. Chapter 1 (US legislators)
//need reading on ideologues//

Judges
Cameron and Kornhauser, Modeling Courts, Chapter 3, What Do Judges Want?” (2016)
Elliot Ash and Bentley MacLeod, “Intrinsic Motivation in the Public Sector: Evidence from State Supreme Courts”

Executives

Optional
http://pas.sagepub.com/cgi/reprint/10/4/431.pdf (in general)

Bureaucrats
(see also Prendergast 2007, in PA section)

Optional
Niskanen (no nice short version, unfortunately)

Candidates and Voters
One of the congress-voter scaling papers, e.g.,
Brookman paper on “moderates”
Note: You should already have read Converse.

Interest Groups and Firms

2.4 Institutions as Bundles of Strategic Situations
Review the excel spreadsheet from Week 1.

3 Three Fundamental Concepts
Main themes: Three fundamental concepts in MIA: power, welfare, and history. Who has power and how do you know? How can or should we evaluate institutions normatively? Does history matter, and if so, how and why?

Cameron, Lectures on Institutional Analysis, Lecture 3.

3.1 Power
Main themes: What is power? How do you know it when you see it? Institutions as a determinant of power.

Robert Dahl, Modern Political Analysis, Chapter 3.
Jack Nagal, Descriptive Analysis of Power, 3-34.
John Gaventa, Power and Powerlessness, 3-32.
Optional
Jon Elster, Making Sense of Marx, Section 1.3.1 (on false consciousness).

3.2 Welfare
Main themes: How should we evaluate institutions normatively?

David Kreps, A Course in Microeconomic Theory, Sections 5.1 and 5.2. Add Section 5.3 if you get into it. Think of actors in an institution (possibly including citizens) as members of a “society.” How well does the institution perform? Would a feasible change in the institution be an improvement? How can you tell?
Optional

3.3 History
Some nice slides that go along with the paper: http://www.mit.edu/~pjl/page2/files/path_dependance.pdf

Or, Nunn “Historical Development,” *Handbook of Economic Growth* 2014, Esp section 7.5 http://scholar.harvard.edu/files/nunn/files/nunn_handbook_growth_v3_0.pdf?m=1422800714

Optional
Kevin Roberts. 1999.“Dynamic Voting in Clubs” (way way too hard for first year students, here as a reminder to me).

### 3.4 Applications

**Application (power): Empirical Descriptive Analysis of Power**

**Application (history): “Regimes,” “Party Systems” and Re-aligning Elections?**

**Application (history): Regimes and Re-aligning Presidents?**

### 4 Coordination

Coordination of expectations can create self-fulfilling prophecies, multiple equilibria, tipping, and path dependence. Which can lead to some very ugly situations; but also some very nice ones. Strategic complements and substitutes. Dynamic stability in coordination games. Endogenous focal points.
4.1 Coordination -- Theory

Thomas Schelling, Chapter 3 “Thermostats, Lemons, and other families of Models,” from *Micromotives and Macrobehavior*.


Optional


Levin lecture notes on supermodular games


4.2 Coordination -- Applications

Constitutions

Application: Constitutions

Congress and Legislatures

Application: Leadership in Organization

Courts and Law

Application: The Power of Law
Weingast and Hadfield. Cameron and Shadmehr

Presidents and Executives
Application: Presidential Leadership in Legislative Agenda Setting
Matthew Beckmann, *Pushing the Agenda*, pp. . Focus on “the early game.”

Bureaucracies and Agencies
Application: Bureaucratic Culture as Coordinating Device
[http://faculty.haas.berkeley.edu/hermalin/cultchds.pdf](http://faculty.haas.berkeley.edu/hermalin/cultchds.pdf)

Electoral Systems, Parties, and Voters
Application: Coordination in Elections (Duverger)
Application: More Voter Coordination
Application: Quality and Competence of Elected Officials
Parts of this paper are way too hard for first year students but other parts are not; if you are interested in honesty, competence, corruption etc may be worth a look.

Application: Elections and Self-Enforcing Democracy
James Fearon, “Self-Enforcing Democracy.” End of elections as a coordinating device for citizens to over-throw an autocrat (see also the Weingast paper under Relational Contracts).
[http://www.escholarship.org/uc/item/1gr744vf;via-ignore%3Drss](http://www.escholarship.org/uc/item/1gr744vf;via-ignore%3Drss)

Interest Groups
Application: Riot Entrepreneurs
Cameron & Parikh, “Riot Games;” .
Application: Cascading Demonstrations
Apply to Tunisia and the Middle East demonstrations of 2011.
Application: Unraveling in Groups
Paul Johnson. 1990. “Unravelling in Democratically Governed Groups,” *Rationality and Society* (2): 4-34. Somewhat similar to Schelling’s dying seminar. In what sense is this a coordination game?

Other
Application: The Politics of Language Choice
5 Collective Action, Cooperation, and Human Nature


Cameron, *Lectures on Modern Institutional Analysis*, Lecture 5

5.1 Theory


Need a simple reading on jury theorems!
http://www.zoo.ox.ac.uk/group/gardner/publications/WestElMoudenGardner_InPress.pdf

http://www.nature.com/nature/journal/v415/n6868/pdf/415137a.pdf

PseudoErasmus, “Where Do Pro-Social Institutions Come From?”
https://pseudoerasmus.com/2015/10/04/ce/ Breezy introduction with lots of links.

Optional


5.2 Collective Action – Applications

Legislatures and Congress

Application: Why Doesn’t Congress Implode?
David Mayhew, *Congress: The Electoral Connection*. Pp. -- (last part of the book). Material on free-riding and institutional maintenance in legislatures: does he have an answer? What could be an answer?

Courts and Law

Application: Jury Theorems
Palfrey experimental paper on Condorcet jury theorems, APSR. Jury theorems in the lab. Matias Iaryczower, structural estimation of jury games.

Presidents and Executives

Application: Presidents and Centralization
(Moe thesis). Which reading?

Application: Public Good Provision by Predatory States

Bureaucracies and Agencies

Application: Governing the Commons

Electoral Systems and Voting

Application: Why Vote? Free-riding in Elections (1)
Roger Myerson, “Population Uncertainty and Poisson Games,” *International Journal of Game Theory* (available as a working paper on line). Analyzes the extension of the threshold game to electoral turnout, using Poisson games. This is too hard for a first year student but a good choice for a second year one. Lots of cool but under-utilized tricks here.

Application: Why Vote? Free-riding in Elections (2)

Interest Groups
Application: Formation of Interest Groups
Mancur Olsen. 1965. *The Logic of Collective Action*

Application: Free Riding and Social Movements

Application: Extremist Participation in Political Participation Contests

Application: Interest group Alliances

Application: Revolutionary Collective Action
Michael Taylor, chapter in *Rationality and Revolution* (Tayler ed), on organizing revolutionary cadres. Endogenous social structure as a solution to free-riding. Looks ahead to next week.

Application: Moral Suasion and Public Goods Provision
Ernesto Dal Bo and Pedro Dal Bo. 2009. “‘Do the Right Thing:’ The Effects of Moral Suasion on Cooperation,” working paper, Department of Economics, Brown University

6 Commitment and Dynamic Consistency
Main themes: How can I control my own bad behavior in the face of temptation? How can I get you to do good things if you don’t believe I can resist temptation? Moral issues … but quintessentially political as well. Also: unilateral action to alter state variables, then play conditional on the state variable. Note: The use of relational contracts to solve dynamic consistency problems will be addressed in Lecture 7, not this week.

Cameron, *Lectures on Modern Institutional Analysis* Lecture 6. [Chuck, add simplified version of BCW to illustrate strategic pre-action]

6.1 Commitment and Dynamic Consistency – Theory
Thomas Schelling, Chapter 5 in *The Strategy of Conflict*.
Optional
6.2 Commitment – Applications

Congress & Legislatures
Application: Slavery, Institutional Design, and the Onset of the U.S. Civil War
Weingast, Chapter on the Civil War in Analytic Narratives.

Application: Closed Rules and Committee Investment in Expertise
Gilligan and Krehbiel. It takes some care to see the commitment issue.

Application: Constitutions
http://www.jstor.org/view/00220507/di975689/97p00731/0


Courts
Application: An Independent Judiciary

Presidents and Executives
Application (dynamic consistency): Presidents and Executive Orders

Application (dynamic consistency): Presidents and (simple) Going Public

Bureaucracy and Agencies
Application: Central Banks

Application: Delegation in Organizations

Application: Restraining Autarchs
Application: Regulatory Mechanisms to Offset Populism
Werner Troesken, “The Sources of Public Ownership: Historic Evidence from the Gas Industry,” 

Electoral Systems, Parties & Voting
Application: War and the Extension of the Franchise
Andrea Vindigni and Davide Ticchi, “War and Endogenous Democracy,” Working Paper, 
Department of Politics, Princeton University
http://works.bepress.com/andreavindigni/

Application: Anti-Democratic Parties and Political Transitions
Stathis Kalyvas. 2000. “Commitment Problems in Emerging Democracies: The Case of 

Interest Groups
Application: Creation of New Groups to Assure Policy Stability
Eric Patshnick, After Reforms book. See me for more readings.

Other
Application: Ethnic Conflict
James Fearon. “Commitment Problems and the Spread of Ethnic Conflict,” in David Lake and 
Donald Rothchild (eds) The International Spread of Ethnic Conflict: Fear, Diffusion, and 

7 Relational Contracts
Main themes: Decentralized enforcement of norms can solve commitment problems, free-riding, 
opportunistic behavior, and other problems in small, static societies. Also, coordination problems. 
But decentralized norms tend to break down or fail in large dynamic ones. (But why?) Formal 
institutions then become critical in solving social dilemmas. However, institutions themselves 
require appropriate sets of norms to work well (or perhaps at all). And, institutions shape norms in 
turn.(How?) Thus, culture and institutions go hand-in-hand and, conceivably, co-evolve.

Cameron, Lectures on Modern Institutional Analysis, Lecture 7.

7.1 Theory
Robert Gibbons, “Lecture Notes 2: Relational Contracts” sections 1-3 [the basic idea of norms as 
equilibria in a repeated game] 
McCarty and Meirowitz, Chapter 9 Section 6 (pp. 263-269). A simplified version of Fearon and 
Laitin 1996, illustrating the Abreau tricks. You may want to review the whole chapter. 
(culture) can do anything institutions can. Take that institutionalists. 
Failure of decentralized norms in dynamic societies. Institutions to the rescue.
http://faculty.haas.berkeley.edu/hermalin/WorkingPapers.html 
Jean Ensminger, “How institutions create culture”: View streaming video lecture on the co-evolution of norms & markets among the Orma 
http://today.caltech.edu/theater/list?subset=culture&story_count=end 

Optional 

7.2 Relational Contracts – Applications

Congress and Legislatures

Application: Norm of Reciprocity (and others) in Congress 
Richard Fenno, Congressmen in Committee, selections in McCubbins and Sullivan (eds), Congress: Structure and Policy.

Courts and Law

Application: Law in a Stateless Society 
Branislaw Malinowski, Crime and Culture in Savage Society (norms/relational contracts at work). Read the description, you supply the model. A classic in Anthropology, and deservedly so. 

Application: Private Orderings

Application: The Rule of Law and Hobbesian Dilemmas 

Application: An Independent Judiciary 
Application: The revival of long-distance trade in Medieval Europe

Application: Horizontal Stare Decisis in a Judiciary

Presidents & Executives
Application: Autocratic Leaders and Elites

Application: Relation-based versus Rule-based Governance in Asia

Agencies and Bureaucracies
Application: Bureacratic Power

Electoral Systems, Parties & Voting
Application: Culture and Electoral Systems

Interest Groups
Application: Governing a Cartel

Application: Norms, Group Policing and Ethnic Conflict
8 Bargaining


8.1 Bargaining – Theory


Krehbiel, Pivotal Politics, Chapters 1 and 2.


Optional

David Kreps, A Course in Microeconomic Theory, pp. 551-571. Highly recommended.


More than you ever wanted to know about the Coase Theorem. Fascinating empirical studies.

Massimo Morelli, paper on demand bargaining. Not widely employed but a alternative approach to political bargaining.

8.2 Bargaining – Applications

Congress and Legislatures

Application: Pivotal Politics

Keith Krehbiel, Pivotal Politics, Remainder.

Application: Gridlock Intervals and Legislative Productivity

Epstein and O’Halloran. Gridlock intervals don’t work very well, empirically. In edited volume
Application: Legislative Pork Barrel Politics in the Laboratory
http://www.springerlink.com/content/j683213273636631/

Courts and Law

Application: Judicial Politics and Separation of Powers Games

Application: A Gravity Model of Bargaining on Collegial Courts
Cameron and Kornhauser. 2009. “Modeling Collegial Courts (3).” Manuscript, NYU School of Law. Also reviews existing models of bargaining on collegial courts. Latest version on Cameron webpage.

Application: Mean-Variance Bargaining on a Collegial Court
Lax and Cameron, JLEO. A “take-it-or-change-it” bargaining model applied to the Supreme Court.

Application: Presidents and Executives

Application: Vetoes and Proposal Power

Application: Pork Barrel Politics with an Executive Veto
Nolan McCarty. Quite difficult.

Application: Presidential Executive Orders

Application: The President’s Legislative Agenda
Jeffrey Cohen. APSA convention paper, a test of Cameron and Park.

Application: Presidential Budgeting
William Howell, Saul Jackman and Jon Rogowski, The Wartime President. Manuscript, Harris School, 2011. Theory chapter and either the Congress chapter or the budget chapter.

Application: Bargaining Over Budgets with Strong Presidents

**Application: Cabinet Formation**

**Bureaucracies and Agencies**
*Application: Agency Bargaining with a Legislature over its Budget*
Banks and Weingast. Bargaining, but with an emphasis on persuasion via signaling.

**Other**
*Application: Crisis Bargaining in International Relations*
Jeff Banks, AJPS paper. Bargaining, but with an emphasis on persuasion via signaling.

### 9 Resource Contests

#### 9.1 Theory


Baye, Michael, Dan Kovenock, and Casper G. de Vries. 1996. "The All-Pay Auction with Complete Information," *Economic Theory* 8:291-305. [This is pretty hard, I will explain it so don’t freak out]


#### 9.2 Applications
**Congress and Legislatures**
*Application: Buying Votes in Legislatures (a two player sequential all-pay auction)*

*Application: Buying Time in Legislatures*
Richard Hall, Can you figure out a model for studying this situation? Do you think it would explain his data?
Courts and Law
Application: Tournaments in Judicial Heirarchies
Cameron, “New Avenues for Modeling Judicial Politics” (the tournament model: very easy).
McNollGast USC paper. Another version of the tournament model.

President and Executives
Application: Presidential Tactics in Veto Over-ride Battles
Scott Frisch and Sean Kelly. 2008. Jimmy Carter and the Water Wars: Presidential Influence in Pork Barrel Politics. (very easy) What would be a model to go with data?

Application: Presidential Tactics and Floor Coalitions
Matthew Beckman. 2010. Pushing the Agenda. Given what he finds empirically, what needs to be added to the theoretical models?

Agencies and Bureaucracy
Application: Bureaucrats and Congress
R.Douglas Arnold, Congress and the Bureaucracy: A Theory of Influence. What is the implicit model?

Campaigning
Application: Allocating Resources in Presidential Campaigns

Interest Groups & Rent-Seeking
Application: Campaign Contributions as Bribes

Application: Interest Group Pluralism

Application: Buying Protectionism

Other
Application: Cities and Urban Services
Paul Peterson, City Limits. Cities compete for high income citizens and to avoid tax eating low income ones. The political implications.

10 Position Contests
Main themes. Competing by taking positions. One and multiple dimensions. An essential part of the MIA tool kit. Oceans of theory, some interesting applications.
10.1 Theory


A shorter version appeared in the Oxford Handbook of Political Economy but the longer one is a little better. Covers only part of the literature but there it is masterful.

10.2 Applications

Application: House Elections

Application: The Senate
Joseph Bafumi and Michael Herron. 2010. “Leapfrog Representation and Extremism: A Study of American Voters and Their Members in Congress,” American Political Science Review 104: 519-542. Indicates what happened to the composition of the Senate as a result of Senate races, as compared to the composition of the electorate. What model could lead to such outcomes?

Application: Presidential Elections


11 Persuasion and Persuasion Contests

Main themes. Sometimes you can change people’s actions by giving them information they didn’t have. But only if they understand you and believe you -- meaning and credibility in communication become critical. Costly signaling. Cheap talk. Verifiable information. Single vs. multiple targets. Competition among signalers. Oceans of theory … and also lots of interesting applications.

11.1 Theory

Jeffrey Banks. 1991. Signaling Games in Political Science. Chapter 2 pp. 3-26. Parts are challenging for first year students, who may wish to review M&M pp. 214-219. However, if you like signaling, you will likely return to Banks’s masterful formulation many many times in the future.


Optional


11.2 Applications

Congress and Legislatures

**Application: Committee Action as Lobbying the Floor (Gilligan & Krehbiel)**

Banks, *Signaling Games*, Section 3.2 (pp. 30-38), his version of G&K.

**Application: Persuasive Testimony in Congressional Hearings**

**Application: Congressional Hearings As Threats to the Bureaucracy**
Ferejohn and Shipan paper (book chapter)
Cameron and Rosendorf, *Games and Economic Behavior*.

**Application: Congressional Hearings as Inside and Outside Lobbying**
Henry Waxman, book on Congress. What model could make sense of this?

Courts and Law

**Application: Why Three Tiers in Judicial Hierarchies? Litigant Selection of Appeals**

**Application: Peer Effects on Collegial Courts**
Kastellec, AJPS (?) paper.
Epstein et al paper

**Application: Adversarial Experts (experiments)**

**Application: Adversarial Experts (theory)**

**Application: The Rules of Evidence**

Sobel paper.

**Presidents and Executives**

**Application: Veto Threats**


This is explicated in a simple way in:


It is tested (to some extent) in:


**Application: The President’s Agenda as Legislative Lobbying**

Roger Larocca, *The Presidential Agenda*

**Electoral Systems and Voting**

**Application: Voting as Signaling**


**Parties**


**Interest Groups**

**Application: Informational lobbying (costly signaling)**


**Application: Informational Lobbying and Campaign Contributions**


**Application: Informational Lobbying, Divided Government, and Budgetary Institutions**

Application: Lobbying During the Bork Nomination
Austen-Smith, David and Jack Wright. AJPS 1996 paper. An empirical paper but follows on their theory paper.

Other

Application: Crisis Bargaining
Banks AJPS. Superb, eye-opening use of incentive compatibility.

Application: Presidents and Opinion Contests
Cameron & Park, “Going Public over Supreme Court Nominees,” Presidential Studies Quarterly. An empirical study. What would a real theory look like?

12 Agency: Hierarchy, Delegation, Shirking, Monitoring, Accountability, Representation, Teams
Main themes: Selecting agents, supervising agents, rewarding agents, punishing agents … central tasks in all political institutions. Moral hazard, adverse selection, signaling, auditing, fire alarms, whistle blowing. Representation, shirking, pandering, capture.

12.1 Introduction to Agency Theory


George Stigler, “Econ Theory of Regulation”. One of the most influential papers in the social sciences … What are the implicit informational assumptions? How is this a PA paper?


12.2 Agency Theory Applications

Congress and Legislatures

Application: Congressmen from a PA Perspective
Mayhew, Congress: The Electoral Connection.
R. Douglas Arnold, Logic of Congressional Action, material on voters and the accountability of congressmen, congressmen’s policy calculation
Application: Representation Failure in Congress

Application: Legislative Delegation to Bureaucrats

Application: Committees and the Design of Legislatures
(Krehbiel). Informational theory of congressional design. Who is the principal? Who are the agents?

Application: Career Incentives in Legislatures
David Mayhew. America’s Congress.
William Muir. Legislature.

Application: Effects of the Personal Attributes of Representatives

Courts
Application: Judicial Hierarchies (Teams)

Application: Judicial Hierarchies (Auditing)

Application: Judges, Pandering and Retention Elections

Application: Pandering and Prosecutors

Presidents and Executives
Application: Presidents and Bureaucrats -- Politicizing the Bureaucracy

**Application: Presidents and Central Clearance**
Acs and Cameron, 2010. “OIRA”

**Application: Presidential Pandering**

**Agencies and Bureaucracy**

**Application: Elected vs Appointed Regulators**

**Application: Bias and Motivations of Bureaucrats**
Add: Sven Feldmann and Tony Bertelli?

**Application: (Ineffective) Consumer Fire-alarms and Bureaucratic Performance**

**Application: Whistleblowing**
Mike Ting, “Whistleblowing”

**Application: Bureaucratic Investment in Expertise**
Gailmard and Patty, “Slackers and Zealots”

**Application: Bureaucrats and Multiple Principals**
Moe, “An Appraisal of Congressional Dominance Theory”

**Application: Development Agencies and the Incentive Effects of Measuring Output**
Andrew Natsios. 2010. “The Clash of the Counter Bureaucracy and Development,” manuscript, Center for Global Development. [http://www.cgdev.org/content/publications/detail/1424271](http://www.cgdev.org/content/publications/detail/1424271)
Relate to Gibbons lecture notes

**Application: Privatization for Urban Service Delivery**
Application: Institutions and Identity

Electoral Systems, Parties & Voting
Note the Gordon and Huber papers in “Courts”

Application: Retrospective Voting

Application: Elections as a Device for Selecting Good Agents

Interest Groups
Application: Who Do Interest Groups Represent?
Relate to Gilens book manuscript and to Walker book.

Other
Application: Urban Political Machines & Monopoly Control of Government
Jessica Trounstine, from her book.

Application: Career Concerns and Federalism
Roger Myerson, paper on federalism.

Application: Predatory and Failing States

Application: Clientelism and Particularism
Phil Keefer, “The Political Economy of Development,” *Handbook of Comparative Politics*

Charles Cameron
Tokyo Japan
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