PROGRAM ABSTRACTS

1.1 Title: Line Item Vetoes and the Presidential-Congressional Relations in Latin America

Authors: Valeria Palanza, Catholic University of Chile, student 2006
Gisela Sin, University of Illinois, student 2006

Abstract: What is the effect of vetoes on legislation? Do vetoes enhance Presidential power at the expense of Congress? Do they boost the ability of Presidents to get their way? Prevailing theories on the effect of vetoes suggest that the prerogative increases presidential leverage during the legislative bargaining process. We argue that the strategic effect of total vetoes and item vetoes (or partial vetoes, as they are known in several Latin American countries) are different and contingent on actors' location in terms of preferences. We extend models of veto bargaining to capture the variation resulting from the existence of line-item vetoes and line-item overrides. We test the predictions with an original dataset on Argentina, Brasil, and Chile that includes all public laws enacted since the return to democracy in the 1980s.

1.2 Title: The Veto as Electoral Stunt: EITM and a Test with Comparative Data

Authors: Eric Magar, ITAM, student 2002

Abstract: The paper extends Romer and Rosenthal's approach to separation of power to account for the use of vetoes and veto overrides without sacrifice to their explanatory power of policy outcomes. Vetoes are treated as deliberate acts of position taking in executive-legislative negotiation. The model yields comparative statics results and hence empirical implications. These are turned into seven falsifiable hypotheses on veto and override incidence. Five veto hypotheses are then tested with data from American state governments 1979--99. Substantial evidence is found for the specific predictions of the model, including the hypothesis that assemblies controlled by parties with enough seats to override are associated with more, not less executive vetoes. The comparative research design offers advantages over single-case studies.

1.3 Title: Electoral Manipulation as Bureaucratic Control

Authors: Scott Gehlbach, UW-Madison
Alberto Simpser, University of Chicago, student 2005

Abstract: How do rulers get bureaucrats to comply? A vast literature on this topic focuses on the role of formal institutions, such as administrative procedures and employment contracts, in limiting opportunitistic behavior. In weakly institutionalized environments, however, governments often lack the ability or the willingness to enforce such procedures and contracts. Instead, a bureaucrat's first-order concern is whether his political patron is likely to remain in power. In these settings, the principal task confronting a ruler who wants to elicit bureaucratic compliance is to convince the bureaucrat that his hold on power is secure. We focus on the role of electoral manipulation in solving this agency problem. We show formally that manipulation can be useful to the ruler by eliciting bureaucratic compliance, even when it does not directly increase his survival probability, and we provide conditions under which a ruler would attempt manipulation.

1.4 Title: Resources, Enforcement and Party Discipline under Candidate-Centered PR

Authors: Monika Nalepa, University of Notre Dame, student 2006, MFR 2012
Royce Carroll, Rice University

Abstract: We develop a model of party discipline under an "open list" proportional representation system, where members of parliament have incentives to appeal to both their leaders (who control candidate nominations) and voters (whose votes determine which candidates win seats). Our model highlights the mediating influence of political leaders' ability to enforce discipline. Conditional on how MP's voters' preferences diverge from those of the party leadership, variation in compliance depends on parties' costs and resources for enforcing discipline. The model provides empirical implications for differences in voting unity across parties, individuals, and over time. We use data on all roll call votes cast in Poland's parliament during a period of substantial party change to operationalize and test these implications. Consistent with the model, we find that disloyalty in candidate-centered PR depends on the joint presence of MPs with divergent preferences and party leaders lacking enforcement capacity and resources. First, individuals with greater electoral contributions to the party are disloyal, conditional on divergent preferences. Second, we show that major changes in party unity across time correspond to large-scale declines in party viability among transitional parties.

1.5 Title: Inequality, Labor Market Segmentation, and Preferences for Redistribution

Authors: James Alt, Harvard University, PI 2002-2006, Director 2002
Torben Iverson, Harvard University

Abstract: We formalize and examine two overlapping models that show how rising inequality combined with ethnic and racial heterogeneity explains why some countries have experienced a drop in support for redistribution as inequality has risen. One focuses on the effect of increasing "social distance" between the poor and the middle class when minorities are increasingly overrepresented among the very poor. The other combines an insurance model of preferences for redistribution with increasingly segmented labor markets in which immigration of workers without recognized skills left most native workers better off but intensified competition for low-end jobs. We estimate parameters from the two models using data from multiple waves of ISSP surveys and find that controlling for measures of labor market risk reduces the effects of social distance and ethnic-linguistic heterogeneity. However, segmentation is also linked to growing prejudice among native outsiders.

Panel 2: EITM American

2.1 Title: Words Get in the Way: The Effect of Deliberation in Collective Decision-Making

Authors: Matias Iaryczower, Princeton University, instructor 2011 & 2012
Matthew Shum, California Institute of Technology
Xiaoxia Shi, UW-Madison

Abstract: We estimate a model of strategic voting with incomplete information in which committee members -- judges in the US courts of appeals -- have the opportunity to communicate before casting their votes. The model is characterized by multiple equilibria, and partial identification of model parameters. We obtain confidence regions for these parameters using a two-step estimation procedure that allows flexibly for characteristics of the alternatives and the individuals. To quantify the effects of deliberation on outcomes, we compare the probability of mistakes in the court with deliberation with a counterfactual of no pre-vote communication. We find that for most configurations of the court in the confidence set, in the best case scenario deliberation produces a small potential gain in the effectiveness of the court, and in the worst case it leads to large potential losses.

2.2 Title: Women Don't Run: Gender Differences in Candidate Entry

Authors: Kristin Kanthak, University of Pittsburgh, MFR 2007
Jonathan Woon, University of Pittsburgh, MFR 2010

Abstract: We investigate the role of gender in the choice of whether or not to run for political office. In order to control for confounding factors that might affect the relative propensities for women and men to enter politics, we take the question of the choice to enter elections to the laboratory. The key features of our experimental design involve: (1) a task that

represents policymaking ability in which there is population heterogeneity but that is also gender neutral, (2) monetary rewards that ensure that all subjects, regardless of gender, face the same incentives (conditional only on their own task ability) to run for office and to elect a representative with the highest task ability. Preliminary evidence indicates that there are gender differences in choices to run for office, with women less likely to run than men with similar abilities, and that such differences are specific to the competitive and strategic context of campaigns and elections.

2.3 Title: The Media and Bureaucratic Accountability

Author: Alex Ruder, Princeton University, student 2010

Abstract: Should presidents have more control over the bureaucracy? Does more presidential control increase the responsiveness and accountability of the regulatory state? This paper investigates the thesis of presidential administration by analyzing two U.S. agencies: the cabinet-level Department of Justices Antitrust Division and the independent Federal Trade Commissions Bureau of Competition. The paper moves beyond common approaches used to study the bureaucracy. Using a large corpus of media coverage of agency actions, we employ topic models to test accountability theories. The analysis makes two contributions. First, we show that media outlets tie independent agency actions to the president as often as cabinet-level agency actions. Second, using a 30 year time series of a responsiveness data obtained from the Federal Trade Commission, we find that independent agencies respond to the publics policy preferences just as cabinet level agencies do, despite their insulated status. The results clarify some common assumptions about agency institutional design and provide support for reputation-based theories of bureaucratic behavior.

Panel 3 EITM International Relations

3.1 Title: Crisis Bargaining and Domestic Opposition

Author: Philip Arena, University of Buffalo, SUNY, student 2008, MFR 2009, 2010

Abstract: Why do democracies sometimes fight long, politically divisive wars that end poorly? I argue that electoral accountability, induced by party competition, can sometimes promote this and other tragic outcomes. To demonstrate this, I analyze a bargaining model in which one state is conceived of as a unitary actor while the other consists of a government and an opposition that is motivated both by electoral ambition and concern for the national interest. Perhaps surprisingly, it is the opposition's concern for the national interest that causes the most tragic outcomes, as advocating peace simultaneously prevents war yet undercuts the government's bargaining position. I close with a discussion of why the United States appears to be particularly prone to such tragic outcomes, treating the Vietnam War as an illustrative example.

3.2 Title: Periphery versus Periphery: The Domestic Political Origins of Separatist War

Author: Bethany Lacina, University of Rochester, MFR 2011

Abstract: This paper presents a domestic politics-based theory of separatist civil wars. I argue that the probability of separatist rebellion versus peaceful accommodation of grievances in the periphery depend on the political clout of constituencies that enjoy legal authority and opportunities for resource extraction in the peripheral territory. These constituencies are the most threatened by an autonomist movement. I use a modified signaling model to illustrate the theory and make predictions linking this constituency's political power to the probability of the peaceful resolution of grievances in the periphery; separatist violence; and the deterrence of autonomist claims. Evidence in favor of the theory is presented from multiple levels of analysis: sub-national variation in separatist violence in India; variation in ethnic group rebellion in Sub-Saharan Africa; and a cross-national investigation of separatist civil wars based on the Ethnic Power Relations Dataset.

3.3 Title: Explaining 'Wars on Terrorism': Transnational Terrorism and U.S. Military Force

Author: Navin Bapat, University of North Carolina-Chapel Hill, student 2003

Abstract: The current U.S. strategy for fighting global terrorism centers on strengthening the internal capacities of host states such that they may disarm terrorists within their territory. However, recent work suggests that this strategy can create a series of perverse incentives where host states will allow the group to exist so they may continue receiving benefits from the U.S. Many policymakers argue that the U.S. should respond to this problem by ceasing its reliance on host states, and begin engaging in unilateral military operations within the host's territory, even if doing so risks weakening host states and increasing support for the terrorist group. This study develops a game theoretic model to identify when and why the U.S. ceases cooperation with host states in favor of unilateral military force. The model demonstrates that the U.S. resorts to unilateral military force if it believes the host lacks the capacity to disarm its terrorists, or if it believes that the host is attempting to sponsor the terrorists to accomplish goals that are antithetical to U.S. interests. However, the model indicates that if the U.S. favors a strategy of assisting host states, but is uncertain as to whether a host is sponsoring terrorism, sponsors have incentives to misrepresent themselves as host states to improve their bargaining power. On the other hand, terrorists operating without state sponsorship have incentives to provoke the U.S. into using military force by signaling that their host is a sponsor, thereby weakening the capabilities of their host while strengthening the their own support. The model therefore indicates that the threat and use of U.S. military force is unlikely to have any meaningful effect in disarming terrorists, given that the threat of force encourages both sponsors and terrorists to send misrepresent. The model's empirical implications are tested using data from the New America foundation on American drone strikes against Pakistan from 2004-2011.

3.4 Title: National Responses to Transnational Terrorism: Intelligence and Counter-Terrorism Provision

Author: Thomas Jensen, University of Copenhagen, student 2006

Abstract: Consider a number of countries facing a transnational terrorist organization. The countries are uncertain about the capabilities of the terrorists, so they gather intelligence. This provides each country with information about the severity of the terrorist threat, but it also creates a new kind of uncertainty: intelligence is noisy and gathered by national agencies, so each country is uncertain about what other countries know. If the countries independently decide on a level of defensive counter-terrorism, this type of uncertainty is potentially very important. It is natural to assume that the terrorist organization allocates more resources to countries with lower levels of counter-terrorism. Therefore, if a country believes that there is a severe terrorist threat then it will choose a high level of counterterrorism and thus make the terrorists more likely to attack elsewhere, which again will make other countries increase their counter-terrorism measures. Thus, for a given country, the intelligence of other countries is important both because it contains valuable information about the terrorists, but also because it matters for the countries' policy choices. In this paper I explore formally the effects of imperfect national intelligence on the provision of defensive counter-terrorism. To do so I set up a game theoretic model where two countries receive private signals about the capabilities of a terrorist organization and then independently choose whether to invest in defensive counter-terrorism. Furthermore, I also explore the possibilities for intelligence sharing among the countries. Preliminary results show that, with private information, each country will invest in defensive counter-terrorism for lower expected levels of threat than in the full information benchmark because of the uncertainty about the other country's information. However, if it is possible for countries to credibly reveal their intelligence then they will (at least under some reasonable conditions) do so and thus the full information outcome will be implemented. If, on the other hand, only cheap talk communication is possible then no information will be revealed.

3.5 Title: Data Mining for Theorists

Authors: Curtis Signorino, University of Rochester
Brenton Kenkel, University of Rochester

Abstract: Among those interested in statistically testing formal models, two approaches dominate. The structural estimation approach derives a structural probability model based on the formal model and then estimates parameters associated with that model. The comparative statics approach generally applies off-the-shelf techniques---such as OLS, logit, or probit---to test whether the independent variables are related to a decision variable according to the comparative statics predictions. We provide a new statistical method, bootstrapped basis regression with variable selection, to assist with both approaches. In our method, which derives from the machine learning literature, the decision variable of interest is modeled as a polynomial function of the available covariates, allowing for the nonmonotonic and interactive relationships commonly found in strategic choice data. We use the adaptive lasso to reduce the number of parameters and prevent overfitting, and we obtain measures of uncertainty via the nonparametric bootstrap. Empirically-minded formal theorists may use it in two ways: to examine the robustness of structural estimates or to test comparative statics predictions. We

provide Monte Carlo evidence, showing that the method handily outperforms other non-structural techniques in estimating a nonmonotonic relationship from strategic choice data. We then reanalyze Reed, Clark, Nordstrom, Hwang's (2008) test of balance of power theory and Canes-Wrone & Schotts (2004) test of presidential responsiveness.

Panel 4 EITM Evaluating Models

4.1. Title: Dynamic Political Distortions under Alternative Constitutional Settings

Author: Carlo Prato, Georgetown University, student 2011

Abstract: This paper studies a dynamic model of electoral competition where two parties (or candidates) compete for power over redistribution and over public employment/public good provision. Parties only have diverging preferences over redistribution. Nevertheless, since public employment affects voters' long run political preferences, they commit and implement socially suboptimal policies to improve their long term electoral strength. We investigate the non-institutional and institutional determinants of the resulting distortions in platforms and implemented policies. We find that more forward looking voters or more political persistence increase distortions. Consensual constitutions (as opposed to majoritarian) are associated with more platform divergence (only when the horizon is finite), less inefficient public good provision, and more redistribution. A mixed constitution can improve welfare over both. Finally, the model's empirical implications --in particular, on the relationship between inequality and redistribution-- are consistent with the available evidence.

4.2 Title: Ruling by Statute

Author: Sebastian Saiegh, University of California, San Diego, MFR 2007

Abstract: What are the main factors that allow presidents and prime ministers to enact policy through acts of government that carry the force of law? Or, simply put, when does a government actually govern? The theory presented in this book provides a major advance in our understanding of statutory policy making. Using a combination of an original analytical framework and statistical techniques, as well as historical and contemporary case studies, the book demonstrates that, contrary to conventional wisdom, variations in legislative passage rates are the consequences of differences in uncertainty, not partisan support. In particular, it shows that a chief executives legislative success depends on the predictability of legislators voting behavior and whether buying votes is a feasible option. From a normative standpoint, the book reveals that governability is best served when the opposition has realistic chances of occasionally defeating the executive in the legislative arena.

4.3 Title: Sequential Information Aggregation in Small Networks

Authors: Elizabeth Maggie Penn, Washington University, student 2002
John W. Patty, Instructor 2010

Abstract: We describe and investigate a model of strategic communication and decision making in networked policymaking environments. Our primary interest is the effect of network structure on sequential policymaking and information aggregation.

4.4 Title: Tax Competition and Income Inequality: Why did the Welfare State Survive?

Authors: Thomas Plümper, University of Essex
Vera E. Troeger, University of Warwick, student 2002, MFR 2008

Abstract: Tax competition did not change the fabric of social welfare and income inequality in OECD countries. The welfare state clearly – and contrary to numerous predictions – survived the abolition of capital controls as well as the rise of new industrial power houses such as China, India, Russia, Brazil and Mexico. In many welfare states, social transfers are higher than ever before and where they have come down, they still remain far away from the dire "race to the bottom" prediction of early globalization theories. Income inequality has risen in some countries, most notably in the UK and the US, but not in others. Again, this contradicts the predictions of the early globalization literature that expected larger pressures on continental European welfare states than on liberal market economies.

This article explains these developments. In short, we distinguish between countries that in the late 70s dominantly redistributed income via the tax system and countries that dominantly redistributed income via social security transfers. Of course, these policies of redistribution are not mutually exclusive, but patterns are clear. We will demonstrate that because of tax competition, all governments shifted the tax burden onto labor. However, governments in continental welfare states managed to keep revenues from labor and capital taxation constant or even increased total revenues to maintain the high level of distribution through social security transfers. Countries that profit from tax competition, Ireland and Luxembourg even increase social welfare transfers and reduce income inequality considerably. Apparently, governments in these countries tried to avoid significant cuts into the welfare system and they adjusted tax policies to reach these political aims. In contrast, governments in countries that dominantly redistribute income via the tax system face higher difficulties in avoiding an increase in income inequality. On the one hand, they need to shift tax revenues from capital to labor to avoid large capital outflows, but this cuts deep into their traditional way of redistributing income and increases income inequality. Governments would have to significantly increase social security transfers, yet while this was acceptable to Ireland and Canada, the UK and the US government did not implement this option. Both countries thus experienced a much larger increase in income inequality than continental welfare states.

From a theoretical perspective, our arguments make clear that labor taxes, capital taxes, fiscal policies and especially social security transfers and public debt need to be analyzed in conjunction. These policies are linked to each other via the public household. Research that exclusively focuses on some of these policies, only applies if governments hold all other policies constant. But usually they do not. The dire predictions of the early models of tax competition did not come true because capital is less mobile than these authors assumed, but also because governments have alternative ways to respond to tax competition, thereby maintaining relatively low levels of income inequality and high levels of redistribution. Our theory is tested in a simultaneous equations framework and empirical results in general confirm the theoretical predictions.