Partial Lecture Notes

PIVOTAL POLITICS
Pivotal Politics

A. Goals
   1. To apply game theory (namely sub-game perfect equilibrium) to the legislative process in a single dimension.
   2. This will help us determine the *outcome* of the game if everyone is rational (i.e. what would be in SPE).

B. We will build up like before, with models for
   1. One chamber, *without* 2/3rds override.
   2. One chamber, with 2/3rds override.
   3. One chamber, with 2/3rds override, and filibuster pivot.

C. Assume
   1. all actors are rational.
   2. complete information.
One Chamber, No Override

Assume: one chamber, fixed agenda setter, no 2/3rds override.
Median voter (M) proposes a bill b.
President (P) signs bill or vetoes it.
If the president signs, the policy outcome is $x = b$.
If the president vetoes, the policy outcome is $x = q$. 
P = 4, M = 10, q = 0

a. What would M propose?
Analysis

P = 4, M = 10, q = 2

a. What would M propose?
Analysis

P = 4, M = 10, q = 7

a. What would M propose?
Analysis

P = 4, M = 10, q = 12

a. What would M propose?
Comparative statics for q

SPNE policy outcome

Case I: $q < 2P - M$

Case II: $2P - M < q < P$

Case III: $P < q < M$

Case IV: $M < q$
What happens if M is on the other side of P?
Implications

• Provides basic theoretical insight about the roles of *proposal* power and *veto* power
  – Veto power ensures that outcomes are no worse than the status quo for the president.

• Comparative statics for ideal points
  – Greater distance between M and P $\Rightarrow$ Greater constraint/gridlock

• Applications
  – Nominating members of Supreme Court: President proposes, Senate may veto
  – Committees and closed rules: Committee proposes, Chamber must approve of final passage
One Chamber, Veto override

Assume: median of chamber proposes, president accepts or rejects, veto override.

Game Sequence:
1. Median of chamber (M) proposes bill b.
2. President (P) may veto or sign.
3. Congress can override veto with 2/3 majority
Analysis of overrides

\[ q < v_L \quad q \quad v_L \quad v_R \]

**Warm Up:**
- \( v_L \) is the left 2/3\(^{rd} \) pivot
- \( v_R \) is the right 2/3\(^{rd} \) pivot.

- Question: what points could attain a 2/3\(^{rd} \)s override of q?
Analysis of overrides

\[ q < v_L \quad q \quad v_L \quad v_R \]

\[ v_L < q < v_R \quad v_L \quad q \quad v_R \]

\[ v_R < q \quad v_L \quad v_R \quad q \]
SE for various positions of q

• Assume: \( p < v_L < m \).

• We will examine four possible locations of q:
  • \( q < p \)
  • \( p < q < v_L \)
  • \( v_L < q < m \)
  • \( m < q \)

• A more complete analysis would also include:
  \( m < v_R < p \)
  \( m < p < v_R \)
  \( v_L < p < m \).
Analysis of vetoes and proposals

\[
q < p \quad q \quad p \quad v_L \quad m \quad v_R
\]

Solve by backward induction:

First, graph what could attain 2/3rds override.
Analysis of vetoes and proposals

Second, decide whether the president signs or vetoes.

Because of technicalities like this, sometimes it is easier to skip the President and come back to her later.
Third, consider what m would propose.
Analysis of vetoes and proposals

\[
p < q < v_L
\]

| p | q | v_L | m | v_R |

Solve by backward induction:

First, graph overrides.
Analysis of vetoes and proposals

Second, decide whether president signs or vetoes.
Analysis of vetoes and proposals

\[ p < q < v_L \]

\[ p \quad q \quad v_L \quad m \quad v_R \]

Third, consider what \( m \) would propose.
Analysis of vetoes and proposals

\[ v_L < q < m \]

First, graph overrides.
Analysis of vetoes and proposals

Second, decide whether the president signs or vetoes.
Third, consider what m would propose.
Analysis of vetoes and proposals

First, graph overrides.
Analysis of vetoes and proposals

\[ m < q \]

\[ p \quad v_L \quad m \quad q \quad v_R \]

Second, decide whether the president signs or vetoes.
Analysis of vetoes and proposals

Third, consider what m would propose.
Veto model summary

- Although there are two veto pivots, only the veto pivot closest to the president’s ideal point is relevant.

- If the president is farther from m than the relevant veto pivot, then the median legislator’s proposal is constrained by the veto pivot’s preferences rather than the president’s.
1. Median legislator proposes a bill

2. Filibuster pivot filibusters or invokes cloture (passes bill)

3. If bill passes, President signs or vetoes

4. If bill vetoed, Veto pivot overrides or sustains
Analysis of vetoes and proposals

First, graph overrides

Second determine whether president signs or vetoes.

-Same as before.
Analysis of vetoes and proposals

Third, graph what filibuster pivots favor.
Analysis of vetoes and proposals

$q < p$

$q \quad p \quad v_L \quad f_L \quad m \quad f_R \quad v_R$

Fourth, consider what $m$ would propose.

-Same as before.
Analysis of vetoes and proposals

\[ p < q < v_L \]

\[ \begin{array}{cccccc}
p & q & v_L & f_L & m & f_R & v_R \\
\end{array} \]

First, graph overrides

Second determine whether president signs or vetoes.

-Same as before.
Analysis of vetoes and proposals

$p < q < v_L$

Third, graph what filibuster pivots favor.
Analysis of vetoes and proposals

\[ p < q < v_L \]

Fourth, consider what \( m \) would propose.

-Same as before.
Analysis of vetoes and proposals

\[ v_L < q < f_L < m \]

First, graph overrides.
Analysis of vetoes and proposals

\[ v_L < q < f_L < m \]

\[ p \quad v_L \quad q f_L m \quad f_R v_R \]

Second, determine whether president signs or vetoes.
Analysis of vetoes and proposals

$v_L < q < f_L < m$

$p \quad v_L \quad qf_L \quad m \quad f_R \quad v_R$

Third, graph what filibuster pivots favor.
Analysis of vetoes and proposals

$v_L < q < f_L < m$

Fourth, consider what $m$ would propose.
Analysis of vetoes and proposals

\[ m < q < f_R \]

\[ p \quad v_L \quad f_L m \quad q \quad f_R v_R \]

First, graph overrides.
Analysis of vetoes and proposals

\[ m < q < f_R \]

Second, determine whether president signs or vetoes.
Analysis of vetoes and proposals

Third, graph what filibuster pivots favor.
Analysis of vetoes and proposals

\[ m < q < f_R \]

\[ p \quad v_L \quad f_L m \quad q f_{RV_R} \]

Fourth, consider what \( m \) would propose.
Analysis of vetoes and proposals

First, graph overrides

Second, determine whether president signs or vetoes.

\[ m < f_R < q < 2f_R - m \]
Analysis of vetoes and proposals

\[ m < f_R < q < 2f_R - m \]

Third, graph what filibusters favor.
Analysis of vetoes and proposals

\[ m < f_R < q < 2f_R - m \]

\[
\begin{align*}
& p \quad v_L \quad f_L m \quad f_R q \quad v_R \\
\end{align*}
\]

Fourth, consider what \( m \) would propose.

Revisiting, what will the president do?

Only the filibuster pivot on the far side comes into play in the model.
Pivotal Politics Summary

- The status quos that cannot be defeated are between $v_L$ and $f_R$ -- an wider range than without the filibuster pivot.
- All outcomes will be between $v_L$ and $f_R$.
- Extreme status quos are still dictated by $m$. 
This range is called the gridlock interval because status quos in this interval do not change.
Comparison of EIG across models

Median voter

P V M F

Veto with override

P V M F

Pivotal politics

P V M F 2F-M

2V-M

Full gridlock

Full convergence to M

Partial convergence to M
Empirical implications

• Gridlock interval: the set of points in equilibrium under the rules of the game.

• If the gridlock interval becomes bigger than previous Congress, less legislation should pass.

• If the gridlock interval becomes smaller than previous Congress, more legislation should pass.

• Krehbiel tests this by looking at the volume of major legislation.
Figure 2
Gridlock intervals, 102nd to 111th Congresses (1991–2010)

Bush Sr.
Clinton
Clinton
Clinton
Clinton
W. Bush
W. Bush
W. Bush
Obama
<table>
<thead>
<tr>
<th></th>
<th>Landmark Enactments</th>
<th>Ordinary Enactments</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Change in gridlock interval</td>
<td>0.281</td>
<td>0.410</td>
</tr>
<tr>
<td></td>
<td>(−2.302)</td>
<td>(−2.689)</td>
</tr>
<tr>
<td>Change in activist mood</td>
<td>0.831</td>
<td>0.051</td>
</tr>
<tr>
<td></td>
<td>(0.769)</td>
<td></td>
</tr>
<tr>
<td>Change in domestic policy mood</td>
<td>0.093</td>
<td>0.413</td>
</tr>
<tr>
<td></td>
<td>(0.728)</td>
<td>(0.881)</td>
</tr>
<tr>
<td>Change in tax mood</td>
<td>3.005</td>
<td>4.072</td>
</tr>
<tr>
<td></td>
<td>(2.448)</td>
<td>(3.053)</td>
</tr>
<tr>
<td>Change in government regime</td>
<td>0.244</td>
<td>0.621</td>
</tr>
<tr>
<td></td>
<td>(0.361)</td>
<td>(0.881)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.318</td>
<td>0.361</td>
</tr>
<tr>
<td></td>
<td>23</td>
<td>21</td>
</tr>
</tbody>
</table>

**NOTE:** Source for dependent variables: Cameron and Howell 1996; *t*-statistics in parentheses.
Predictions

1. If Democrats take the white house in 2016, we will continue to have gridlock.

2. New policies will be constrained by the filibuster pivot.

3. Leftward shifts in policies are very unlikely.
Congress

101 (1989-90)  
102 (1991-92)  
103 (1993-94)  
104 (1995-96)  
105 (1997-98)  
106 (1999-00)  
107 (2001-02)  
108 (2003-04)  
109 (2005-06)  
110 (2007-08)  
111 (2009-10)  
112 (2011-12)  

SH
P

Bush, Sr.
Clinton
Bush, Jr.
Obama

Congressional Medians and Presidential Ideal Points