

Do Political Parties Matter? An Approach for Inferring Agenda Control and Party Discipline

Nathan Canen (UBC)

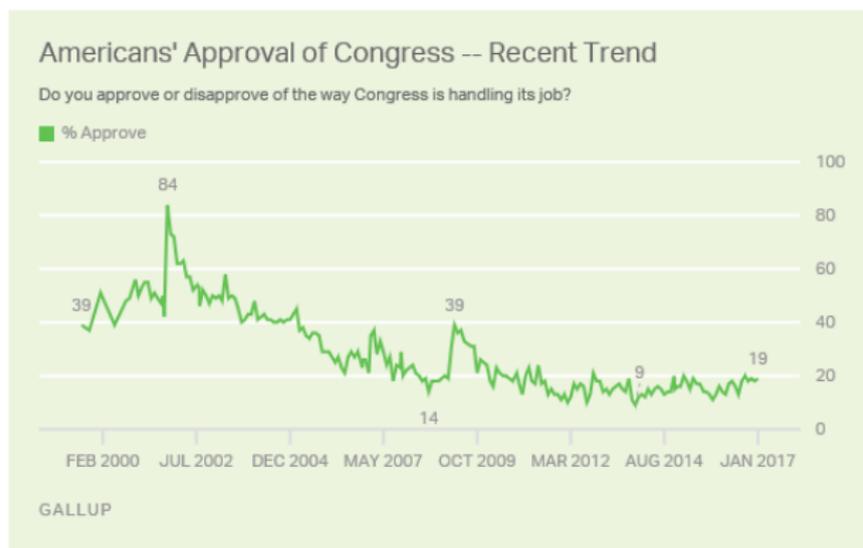
Chad Kendall

Francesco Trebbi (UBC)

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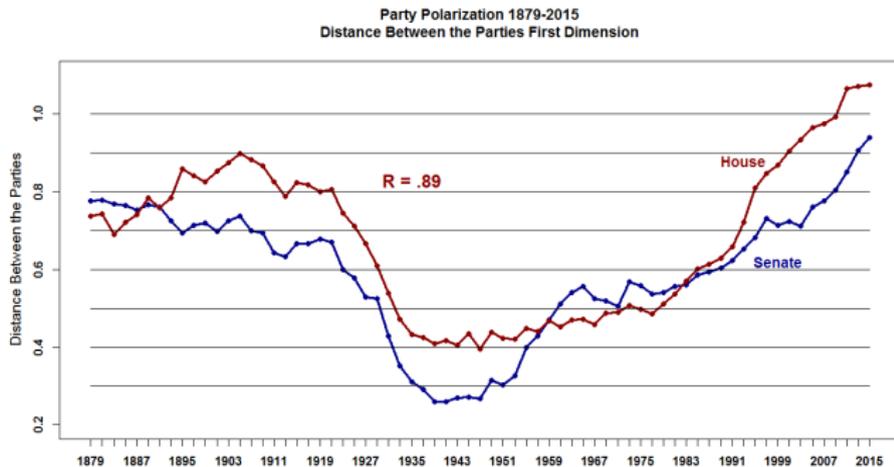
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Dysfunction in Congress



- Widespread and increasing concern of a dysfunctional legislative branch

Polarization



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- Increasing polarization is frequently suggested as a primary cause of dysfunction (McCarty, 2016)

¹www.voteview.com

The Role of Parties (1)

- To understand how Congress operates (or fails to) and the source of polarization, we need to assess the importance of **parties**
- A prominent view is parties are critical ([Snyder and Groseclose, 2000](#); [Cox and McCubbins, 2005](#))
 - in elections:
 - as a communication device, a 'brand'
 - primaries
 - in operations:
 - floor rules, committee organization
 - **in policy-making:**
 - **agenda-setting**
 - **discipline**

The Role of Parties (2)

- Agenda-setting:
 - negative: keeping bills the majority party opposes from the floor
 - positive: pushing bills the majority party supports
- Discipline:
 - encouraging party members to 'toe the party line'
 - carrot: outright 'pork' or, more subtly, future promises of promotion
 - stick: preventing future promotion, committee membership

The Empirical Difficulty

- Identification of the role of parties is inherently difficult ([Krehbiel, 1993, 1999, 2000](#))
 - cohesion/party unity may reflect self-selection into parties
 - parties may only pursue bills on which they agree ([Cox and McCubbins, 2005](#))
- On polarization:
 - may be due to diverging individual ideologies or increased party discipline
- Discipline and agenda-setting power are **not independent**
 - pursuing more extreme policies requires discipline

What We Do

- Provide a two-party model in which policy votes are a result of:
 - ① Heterogeneous ideologies
 - ② Party discipline
 - ③ Agenda-setting
- Use internal party records to identify key sources of party control:
 - amount of discipline
 - policy distributions (agenda-setting)
- Counterfactual exercises to illustrate the importance of the dual role of parties

A Key Ingredient - Whips

- Parties employ a hierarchy of 'whips'



The term "whip" comes from a fox-hunting expression – "whipper-in" – referring to the member of the hunting team responsible for keeping the dogs from straying from the team during a chase. - www.senate.gov

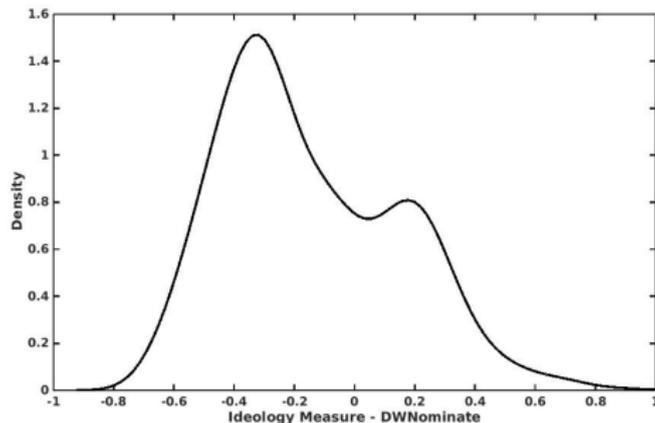
- Whips serve two purposes:
 - discipline votes
 - obtain information - *whip count*

The Key Idea

- We have data on a series of whip counts from the late 70s/early 80s ([Evans, 2012](#))
- Whip counts reveal positions *before* party involvement
 - switches from nay to yea (towards the position the party prefers) reveal party discipline
 - we can therefore recover:
 - 'true' ideologies
 - extent of party discipline
- Explicitly modeling the whip count allows us to study agenda-setting
 - which bills are never considered and which are later dropped

Ideological Space

- Single-dimensional ideological space
 - one dimension captures almost all vote variation (since 1980s)



Overview

- Two parties, $p \in \{R, D\}$, compete for votes over a series of bills
- Both parties use whips to discipline votes
- Policy outcomes are stochastic
- Majority party (R):
 - decides which (random) status quo policies, q_t , to pursue
 - sets policy alternative, x_t
 - decides whether or not to conduct a whip count
 - can drop bills with unfavorable shocks

Timing



- Shocks are additive

Members

- Continuum of members in each party
- Each has a strictly concave utility function with bliss point θ_i
 - subject to idiosyncratic and aggregate shocks, $\delta_{i,t}$ and η_t (normally distributed)
 - subject to influence from party through whip, $y_{i,t}$
- Expressive voting : vote for preferred policy
- At time of whip count, only preferred policy is observed (not δ_t^1 and η_t^1 individually)

Whips

- Identical policy preferences to other members
- Assigned a continuum of members to be responsible for:
 - at roll call time, learn members' (stochastic) bliss points costlessly
 - can exert influence at a personal cost, $c(y_{i,t})$, strictly increasing
 - obtain r_p any time a member votes as the party prefers
- Whips themselves are subject to being whipped

Parties

- Inherit the preferences of their median member, $\theta_{m,D}$ and $\theta_{m,R}$
 - party R 's bliss point is to right of party D 's
 - for simplicity, party preferences are not subject to shocks
- Majority party controls agenda
 - sets alternative policy, x_t
 - fixed cost to conduct a whip count, C_w
 - fixed cost to take a bill to the roll call stage, C_b

Whip Count

- Whip count aggregates information about first aggregate shock
 - unknown by any one individual
- Truth-telling is essential for our empirical strategy
- In the model:
 - no single member can influence whip count outcome (and hence payoff)
- In reality:
 - reputation prevents repeatedly lying to obtain rewards
 - if not informative, parties wouldn't conduct whip counts

Whip Count Importance

Whip counts show that repeal of ACA won't have enough votes:

With Democrats united in opposition, House Republicans are currently short of the 216 votes they need to pass the bill before the Senate could take it up. They can afford only 22 defections, and the latest whip counts put Republican "no" votes at about 20, with a dozen more undecided. - [BBC](#)

On the Tax Bill, after roll call (it passed with 227 votes vs. 205, with 13 Republicans breaking rank):

Ryan and House GOP leaders were confident throughout the week that they'd have the 218 votes needed for passage, even with unified Democratic opposition. In fact, they've felt so good about their whip count they barely called on the White House to twist arms. - [Politico](#)

Party Discipline

- Define the marginal (indifferent) voter, $MV_t = \frac{x_t + q_t}{2}$
 - Whips know realized ideology of their members
 - exert influence up to a maximum, $y_p^{max} = c^{-1}(r_p)$
- ⇒ only voters within a distance of y_p^{max} of the marginal voter are whipped
- Party R whips to the right, party D to the left

Optimal Policies

Proposition 1

For C_b sufficiently small:

- 1. the optimal alternative policies with and without a whip count exist, are unique, and are contained in $(q_t, \theta_{m,R})$*
- 2. the optimal alternative policy with a whip count lies strictly to the right of that without*

- Intuitive trade-off: more extreme policies are preferable, but less likely to pass

Agenda-Setting (1)

- On observing q_t , the majority party can:
 - 1 do nothing
 - 2 pursue an alternative bill with a whip count
 - 3 pursue an alternative bill without a whip count
- Absent a whip count, bill goes straight to roll call and majority party pays C_b
- With a whip count (at cost C_w), bill can be dropped avoiding C_b

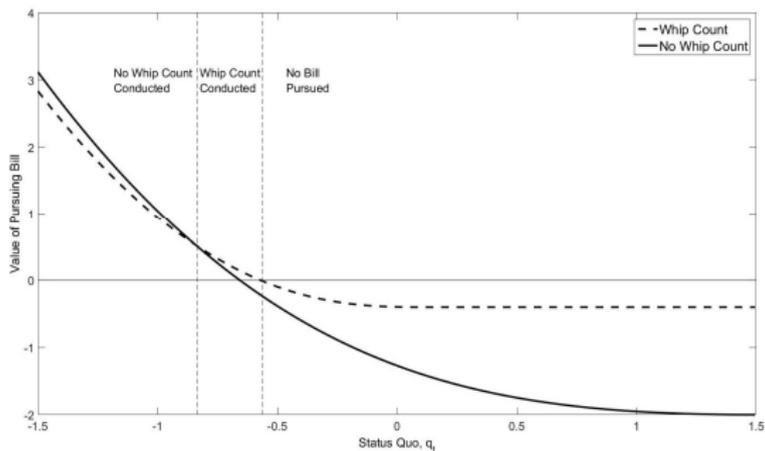
Agenda-Setting (2)

Proposition 2

For $C_w > 0$ and C_b sufficiently small, there exist cutoff status quo policies, q_l and q_h , such that

- 1. for $q_t \in [\theta_{m,D}, q_l]$, the optimal alternative policy is pursued without a whip count*
- 2. for $q_t \in (q_l, q_h]$, the optimal alternative policy is pursued with a whip count*
- 3. for $q_t \in (q_h, \theta_{m,R})$, no alternative policy is pursued*

Agenda-Setting (3)



- The option value of the whip count increases with the status quo

Data

- Roll call voting data comes from the standard source, VoteView
- Whip count data covering 1977-1986 as compiled by [Evans \(2012\)](#)
 - Republican (1977-1980) data from Robert H. Michel Collection
 - Democratic (1977-1986) data from Congressional Papers of Thomas S. Foley
 - Democrats are majority over time period, but both parties conduct whip counts
- We merge the data following [Evans \(2012\)](#)
 - 5424 roll called bills
 - 340 bills with whip counts
 - 238/340 bills have subsequent roll calls

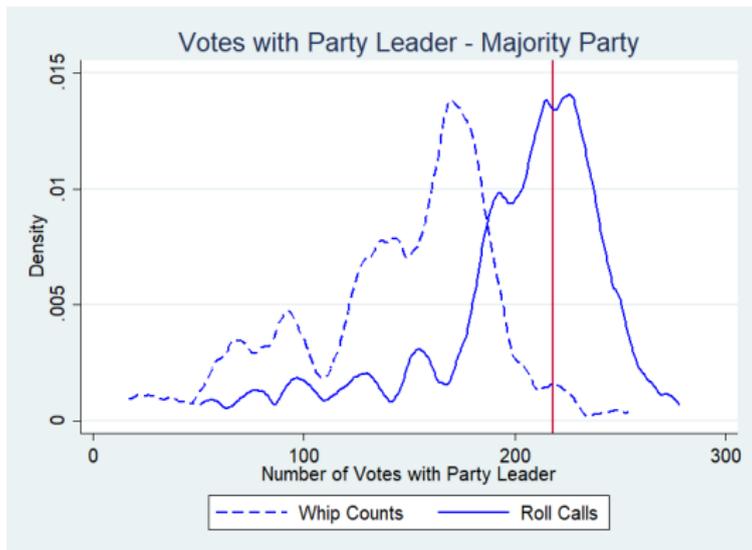
Identification

- Ideological positions come from repeated whip count polls (individual fixed effect)
- (Realized) marginal voters at time of whip count and time of roll call come from multiple reports/votes on same bill (bill fixed effects)
 - includes aggregate shocks
- Maximum whipping distance, y_p^{max} , and variance of aggregate shocks come from changes in marginal voter between whip count and roll call
- Distributions of policies (q_t and x_t) come from first-order conditions and marginal voter estimates
 - use a two-parameter beta distribution to identify unobserved part of distribution

Estimation

- Three-stage process:
 - 1 use bills with whip counts to recover y_p^{max} , θ_i , and marginal voters for these bills
 - 2 estimate marginal voters for bills with roll calls only
 - 3 recover status quo policies from marginal voters
- Non-trivial due to large number of fixed effects (thousands)
- Non-linear estimation leads to incidental parameter problem
 - extensive Monte Carlo simulation
 - correction with jackknife estimator and divided samples ([Fernandez-Val and Weidner, 2016](#))

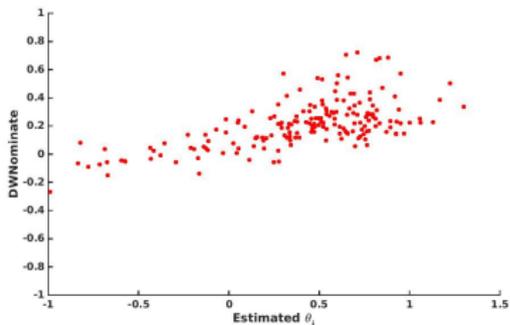
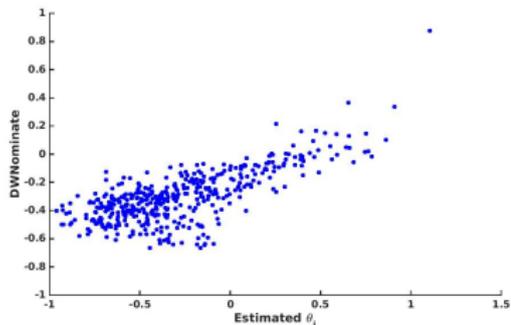
Party Discipline - Reduced Form



Party Discipline - Estimates

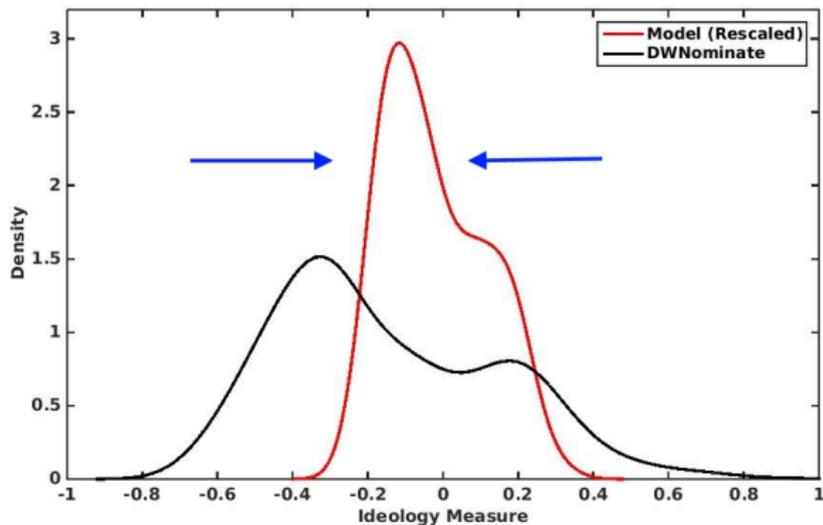
	Party	
	Democrats	Republicans
y^{max}	0.64	TBD
	(0.02)	TBD
Mean θ	-0.28	0.41
	(0.13)	(0.36)
Variance of aggregate shock, σ^2	0.781	
N	434	184
T	198	45

Ideologies (1)



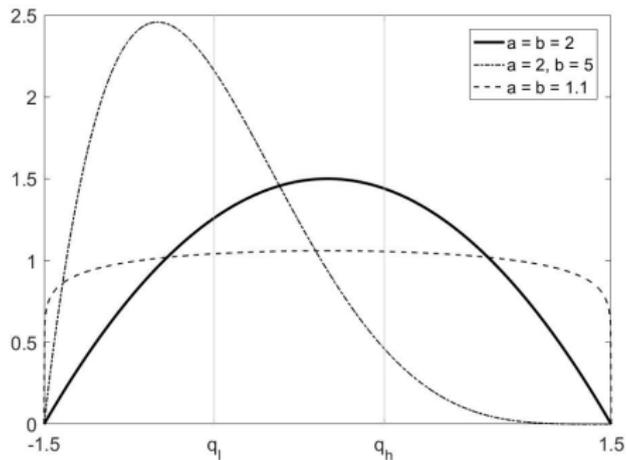
- Correlation between our estimates and DWNominate for Democrats and Republicans
 - strong, but not perfect, correlation

Ideologies (2)



- Many more centrists than standard estimates

Estimating Policy Distributions



- Working on best way to estimate policy distributions from realized marginal voters

Agenda-Setting

- Once we estimate the mass above q_h , we will have:
 - 1 x1% of bills are never voted (not valuable for majority party)
 - 2 x2% of bills are brought directly to the floor, whipped and voted
 - 3 x3% of bills are whip counted and subsequently dropped
 - 4 x4% of bills are whip counted, brought to the floor, whipped and voted

Counterfactuals

- 1 Voting results on key bills absent whipping (National Energy Act of 1978, Reagan's Tax Reform Act of 1986, etc.)
- 2 Policy choices with and without whipping
- 3 Party cohesion/unity scores
 - influenced by changes in optimal policies
 - in turn depend on ideological distributions, whip strength, size of majority
- 4 Distribution of bills absent agenda-setting power
 - median voter overall sets policy (?)

Conclusion

- Long-standing debate about the role of parties
 - consequences for understanding polarization and functioning of legislative branch
 - seemingly playing out in topical, important issues (Tax Cuts, ACA repeal)
- We find that parties matter:
 - for disciplining votes
 - for agenda-setting (more to be done here)
- Our methodology allows us (under some assumptions) to ‘de-bias’ ideological estimates
 - even in the absence of whip count data