# Do Political Parties Matter? An Approach for Inferring Agenda Control and Party Discipline
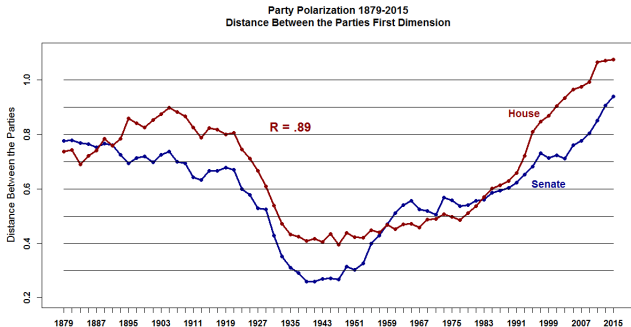
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## Dysfunction in Congress



Americans' Approval of Congress -- Recent Trend

Do you approve or disapprove of the way Congress is handling its job?

■ % Approve

- Widespread and increasing concern of a dysfunctional legislative branch

## Polarization



Party Polarization 1879-2015
Distance Between the Parties First Dimension

[1]

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

[1] www.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)
  - as a communication device, a 'brand'
  - primaries, floor rules, committee organization
  - **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 tow 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 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

# 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*
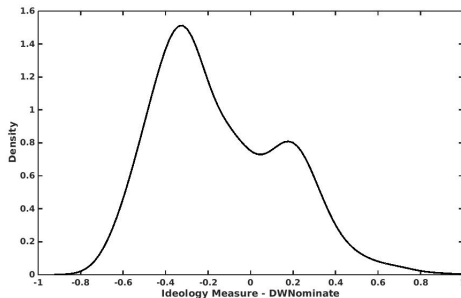*during a chase. - www.senate.gov*

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

# The Key

- 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

## 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
    - idiosyncractic and aggregate shocks (normally distributed)
- 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

Introduction
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**Model**
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Theoretical Predictions
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Data and Identification
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Preliminary Results
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Ongoing
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Conclusion
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# Timing

# Members

- Continuum of members in each party
- Each has a strictly concave utility function with bliss point $\theta_i$
  - subject to idiosyncratic and aggregate shocks, $\eta_t$ and $\delta_t$
  - 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 $\delta_t^1$ and $\eta_t^1$ 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
    - 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
    - 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
- Truth-telling is essential for our empirical strategy
- In the model:
    - no single member can influence whip count outcome (and hence payoff)
- In reality:
    - if not informative, parties wouldn't conduct whip counts
    - reputation prevents repeatedly lying to obtain rewards

## 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, $y_p^{max} = c^{-1}(r_p)$
    
    $\implies$ only voters within a distance of $y_p^{max}$ of the marginal voter are whipped
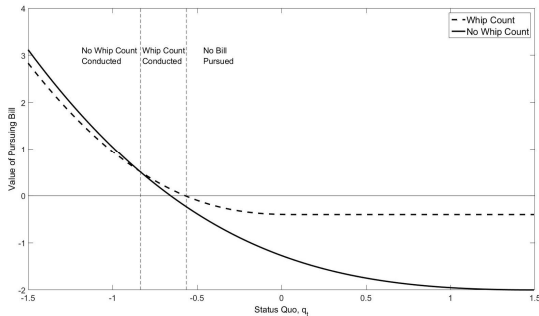- Party $R$ whips to the right, party $D$ to the left

## Optimal Policies

- Intuitive trade-off:

    - more extreme policies are preferable, but less likely to pass

- With or without a whip count, the optimal alternative policies, $x_t$, exist and are unique

    - with a whip count, we require the cost of proceeding with a bill, $C_b$, to be sufficiently small

- Bills with whip counts have more extreme optimal policies, $x_t^{count} > x_t^{no\ count}$

# Bill Pursuit Decisions(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, go straight to roll call and pay $C_b$

- With a whip count (at cost $C_w$), bill can be dropped avoiding $C_b$

# Bill Pursuit Decisions(2)



- The option value of the whip count increases with the status quo
- Two cutoffs, $q_l$ and $q_h$, define which bills are pursued

## 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
    - 340 bills with whip counts in total
    - Democrats are majority over time period, but both periods conduct whip counts
- We merge the data following Evans (2012)
    - ??? roll call votes
    - 238/340 bills have subsequent roll call votes

## Summary Statistics

- INSERT TABLE

## Identification

- Ideological positions come from repeated whip count polls (individual fixed effect)
- Marginal voter at time of whip count and time of roll call comes from multiple reports/votes on same bill (bill fixed effect)
    - includes aggregate shocks
- Maximum whipping distance, $y_p^{max}$, comes from average change in marginal voter between whip count and roll call
- Distribution (non-parametric) of aggregate shocks comes from changes between whip count and roll call
- Distributions of policies ($q_t$ and $x_t$) come from first-order condition and realized marginal voter estimates
    - use a two-parameter beta distribution to identify unobserved part of distribution
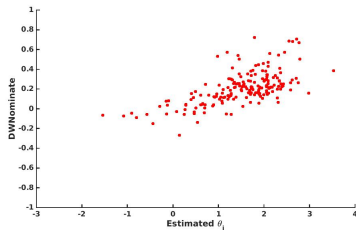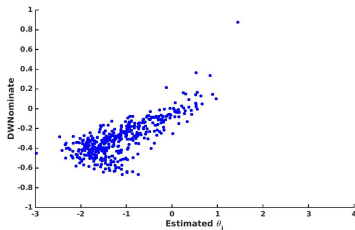
# Estimation

- Three-stage process:
  - First: use bills with whip counts to recover $y_p^{max}$, $\theta$ and realized marginal voters, $\gamma_{2,t} = MV_t - \eta_t^1 - \eta_t^2$
  - Second: use bills with only roll calls to estimate realized marginal voters
  - Third: recover status quo policies from realized 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)
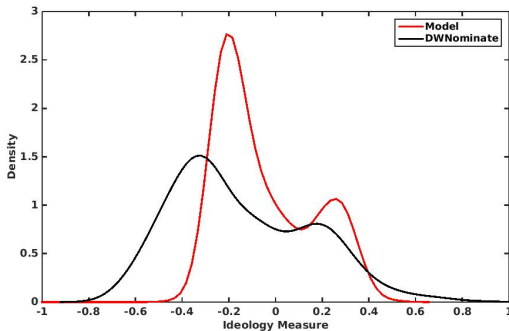
## Party Discipline

|  | Party | |
| --- | --- | --- |
|  | Democrats | Republicans |
| $y^{max}$ | 0.386 | 0.400 |
| Average $\theta$ | -1.159 | 1.494 |
| Variance of aggregate shock,$\sigma^2$ | 1.975 | |
| N | 434 | 184 |
| T | 198 | 45 |

# Ideologies(1)



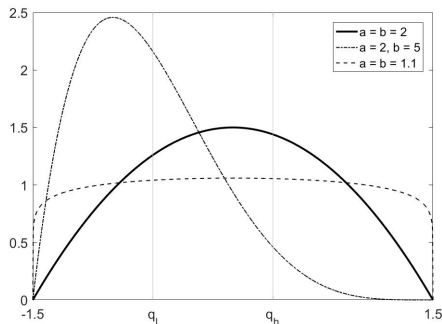- Correlation between our estimates and DWNominate for Democrats and Republicans

# Ideologies(2)

## Counterfactual

- No whipping, $y_p^{max} = 0$
- INSERT GRAPH

## Estimating Policy Distributions



- Working on best way to estimate policy distributions from realized marginal voters
  - mass above $q_h$ is of particular interest: issues that are left alone

## 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 polarization and functioning of legislative branch
- 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