

# PSC 280: The Politics of Delegation

Professor Stu Jordan  
University of Rochester  
sjordan@mail.rochester.edu  
Fall, 2007

## COURSE DESCRIPTION

In representative democracies such as the U.S., most policy choices are not made directly by voters themselves but instead by elected “representatives” to whom policymaking authority is delegated. This raises a fundamental problem. What reasons do we have to think that policymakers in representative democracies will act in the interests of voters? This course introduces students to the basics of the approach taken to this problem in the field of political economy. We begin by studying the classic principal-agent model developed by economists. We then apply this model to the problem of accountability in representative government, and in particular to the institutions commonly thought to promote accountability.

## LOGISTICS

**Meeting Time and Place:** Monday, Wednesday and Friday, 11:00 – 11:50 in Meliora 221.

**Required Books:** There are no required books. Instead, copies of each reading will be posted on e-reserves at least 1 week before the meeting to which it corresponds.

**Course Website:** All relevant information for the course is posted on Blackboard, including this syllabus, links to the readings on e-reserves, and assignment guidelines and due-dates. You can access blackboard at

<http://my.rochester.edu>

Once at this website, click on the “courses” tab. If you are enrolled in the course, you will see an option on that tab to access the course webpage.

**Office Hours:** My office is 320 Harkness Hall. I hold office hours on Wednesdays from 2:30 to 4:00, and by appointment.

## ASSIGNMENTS AND GRADING

There are three components to your final grade in the course:

- **Reading and Class Participation**
- **Short Papers**
- **Final Presentation and Paper**

**Reading and Class Participation:** This class is a seminar interspersed with occasional lectures. As such, I expect you to (1) attend all of the class meetings and (2) do the reading corresponding to each meeting before that meeting. It is important for you to know that this course draws on an area of research that is relatively new. Although this makes for some exciting material, it also means that we are often forced to draw on readings that are very technical. I do not by any means expect you to understand the mathematical and statistical aspects of each paper on your own. I do, however, expect you to work to understand (1) the basic question that each paper is trying to address and (2) the basic point that each author is trying to make. In general, you should be able to glean these two aspects of each paper from its introduction and conclusion. I will spend some time each week giving a lecture that walks you through the logic of the mathematical and statistical aspects of the papers we cover. Once that is done, we will always spend time discussing the authors' substantive points. You are expected to participate actively in this discussion, and your participation is expected to reflect a careful reading of the author's work before class. Class participation does not constitute a set portion of your final grade. Instead, I reserve the right to either raise or lower your final mark by as much as one letter grade based on your participation at each session. In general, I will only adjust a grade on this basis for performance that is remarkably out-of-line with the above expectations.

**Short Papers:** There are three short paper assignments due during the semester. Each of these assignments requires you to write an essay that responds to a question regarding the readings covered in the course. These assignments are meant to challenge you to understand and criticize the authors' basic arguments. I require these papers to be concise—never more than 4 pages of double-spaced type written writing in 12 point font. I will not read papers that violate these limits. Paper due dates are printed in the schedule below. Late papers will not be accepted. Together, the three short papers will count for 60% of your final grade.

**Final Paper and Presentation:** The major assignment for the semester is a 15 minute presentation and term paper of no more than 10 pages in length. In your presentation and paper, you will describe a proposed or actual reform to institutional rules in an actual representative democracy, and explain the implications of the basic concepts presented in the course for that reform. In particular, your application of the course's concepts should discuss whether or not one should expect the reform to enhance accountability, and the grounds on which one can base that expectation. You are welcome to pick whatever institutional reform interests you, and I am also happy to suggest options. Each student will make his or her presentation during one of the meetings of the last two weeks of the semester. The final

paper, which should cover the same material as your presentation, will be due on the date for which the course's final exam is scheduled (usually about 1 week after the last day of classes). I require each student to meet with me individually to discuss his or her plans for this project by Friday October 19 (the first Friday after fall break). I will circulate more specific guidelines for this assignment later in the semester. Your presentation counts for 10% of your final grade. The final paper counts for 30%.

### SCHEDULE OF MEETINGS AND READINGS

#### **Part I: Foundations**

---

**Wednesday 9/5** INTRODUCTION TO THE COURSE: DELEGATION IS A  
FUNDAMENTAL CHALLENGE OF REPRESENTATIVE  
GOVERNMENT

---

**Friday 9/7,  
Monday 9/10,  
Wednesday 9/12,  
and Friday 9/14** USING MODELS TO UNDERSTAND DELEGATION, LEARNING  
BASIC MODELING TOOLS  
No readings, but I will provide some lecture notes.

---

**Monday 9/17,  
Wednesday 9/19,  
and Friday 9/21** ROOTS IN ECONOMIC THEORY: THINKING ABOUT POLITICS  
"UPSIDE DOWN"  
David E. M. Sappington (1991) "Incentives in Principal-Agent Relationships." *Journal of Economic Perspectives*, 5(2): 45.

---

#### **Part II: Accountability Through Elections**

---

**Monday 9/24,  
Wednesday 9/26,  
and Friday 9/28** USING ELECTIONS TO SCREEN AND MOTIVATE  
Timothy Besley (with Michael Smart) "Political Agency and Public Finance" in Timothy Besley, *Principled Agent's? The Political Economy of Good Government*. Oxford: Oxford University Press. pp 174 – 197.

---

---

## Accountability Through Elections

---

Monday 10/1,  
Wednesday 10/3,  
and Friday 10/5

**Question for Short Paper No. 1 Distributed in Class on  
Friday 10/5!!!**

AN APPLICATION TO PRESIDENTIAL POLITICS

Brandice Canes-Wrone, Michael C. Herron, and Kenneth W. Shotts  
(2001) "Leadership and Pandering: A Theory of Executive Policy-  
making" *American Journal of Political Science*. 45(3): 532.

---

Monday 10/8,  
Wednesday  
10/10, and Friday  
10/12

NO CLASS, FALL BREAK

---

Monday 10/15,  
Wednesday  
10/17, and Friday  
10/19

**Short Paper No. 1 Due in Class on Wednesday 10/17!!!  
Question for Short Paper No. 2 Distributed in Class on  
Friday 10/17!!!**

DO ELECTIONS REALLY WORK THIS WAY?

Timothy Besley and Anne Case (1995) "Does Electoral Accountabil-  
ity Affect Economic Policy Choices? Evidence from Gubernatorial  
Term Limits." *Quarterly Journal of Economics*. 110(3): 769.

Christopher Achen and Larry Bartels (2002) "Blind Retrospection:  
Electoral Responses to Drought, Flu, and Shark Attacks." *Paper  
Prepared for Presentation at the Annual Meeting of the American  
Political Science Association* Boston, MA.

---

## Accountability Through Elections

---

### Part III: Who Guards the Guardians? Voter Incentives to Monitor and Sanction

---

Monday 10/22,  
Wednesday  
10/24, and Friday  
10/26

**Short Paper No. 2 Due in Class on Friday 10/26!!!**  
DON'T WORRY, BE HAPPY

Bernard Grofman and Scott L. Feld (1988) "Rousseau's General Will: A Condorcetian Perspective." *American Political Science Review*, 82(2): 567.

---

Monday 10/29,  
Wednesday  
10/31, and Friday  
11/2

VOTERS' INCENTIVES TO ACT ON WHAT THEY KNOW

David Austin-Smith and Jeffrey S. Banks (2001) "Information Aggregation, Rationality, and the Condorcet Jury Theorem" *American Political Science Review*, 90(1): 34.

---

Monday 11/5,  
Wednesday 11/7,  
and Friday 11/9

RATIONAL ABSTENTION AS A SOLUTION

Timothy J. Feddersen and Wolfgang Pesendorfer (1999) "Abstention in Elections with Asymmetric Information and Diverse Preferences" *American Political Science Review*, 93(2): 381.

---

Monday 11/12,  
Wednesday  
11/14, and Friday  
11/16

**Question for Short Paper No. 3 Distributed in Class on Friday 11/16!!!**  
VOTERS' INCENTIVES TO COLLECT INFORMATION

Kaushik Mukhopadhyaya (2003) "Jury Size and the Free Rider Problem" *Journal of Law Economics and Organization*. 19(1): 24.

---

Monday 11/19

ELECTORAL RULES AS A SOLUTION  
(No class Wednesday and Friday.)

Nicola Persico (2003) "Committee Design with Endogenous Information" *Review of Economic Studies*. 71: 165.

---

## Who Guards the Guardians?

---

### Part IV: Designing Institutions

---

#### Short Paper No. 3 Due in Class on Friday 11/30!!!

Monday 11/26,  
Wednesday  
11/28, and Friday  
11/30

#### RESTRICTIONS ON POLICY AND TRANSPARENCY

Timothy Besley (with Michael Smart) “Political Agency and Public Finance” in Timothy Besley, *Principled Agent’s? The Political Economy of Good Government*. Oxford: Oxford University Press. pp 195 – 210.

---

#### ACCOUNTABILITY VS. INSULATION

Monday 12/3,  
Wednesday 12/5,  
and Friday 12/7

Eric Maskin and Jean Tirole (2004) “The Politician and the Judge: Accountability in Government.” *American Economic Review*, 94(4): 1034.

Gregory A. Huber and Sanford C. Gordon (2004) “Is Justice Blind When it Runs for Office? ” *American Journal of Political Science*, 48(2): 247.

---

### Part V: Wrap Up

---

Monday 12/10,  
Wednesday 12/13

#### STUDENT PROJECT PRESENTATIONS

---