Overview
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Model
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Results
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○

Conclusion

Lobbying and Legislative Uncertainty

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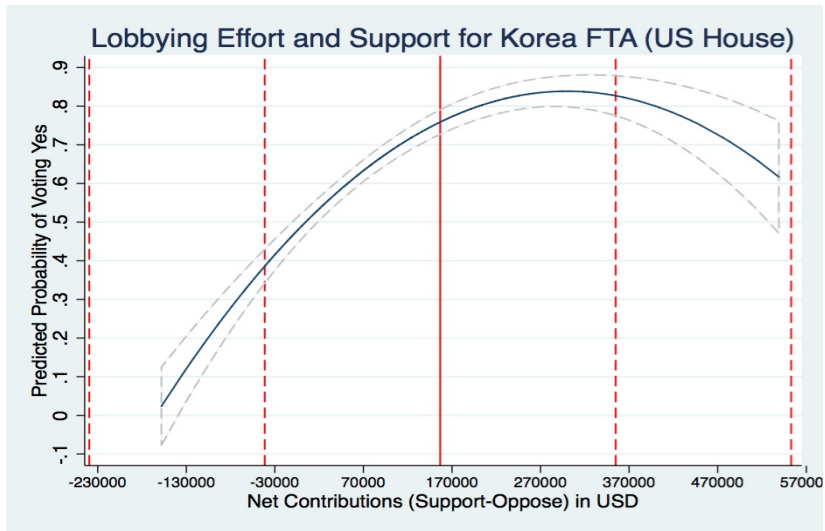April 16, 2016

The Questions

1. When
   ▶ E

2. Can
   ▶ G

Some Data

1. When
   - ▶ E

2. Can
   - ▶ G

Lobbying Effort and Support for Korea FTA (US House)

Overview
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Model
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Results
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Conclusion

Uncertainty and Effort (U.S. House)

Preview

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With . I:

- e

- c

  - b
  - t

- e

Results

- S

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- D
  - P
  - M

Overview
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Results
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Conclusion

Preview

Literature

► Vote Buying in Legislatures:

► Stochastic Voting:

► Uncertainty:

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Conclusion

Political Structure

Policy and Politics

T

- A

- B

Overview
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Conclusion

Political Structure

Timeline

1. **Who**
   i. Governments
2. **Then**
   i. A
   ii. B
3. **What**
   i. If

Overview
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Conclusion

The Players

D

Objective function:

$$W = CS_X(\tau) + \gamma(s, e)\pi_X(\tau) + CS_Y(\tau^*) + \pi_Y(\tau^*) + TR(\tau)$$

▶ S
  ▶ s:
  ▶ e:
▶ Optimal
  ▶ Ignores
  ▶ Takes

The Players

Political Pressure

Two potential sources

1. Endogenous effort choice of lobby, e

   ▶ Lobby chooses effort to maximize profits, $\pi(\cdot)$, net of lobbying effort, e

   ▶ Call lobby's optimal effort choice e^L

$$e^L = \max_e \pi(\tau(\gamma(e))) - e$$

One Vote Buyer

When :

- ► T

- ► I

- ► C

Result...

When Vote Buyer B pays bribes to exactly two legislators, the bribes are such that the two bribed legislators' ideal points gross of bribes are equalized. Which two legislators are bribed depends on the bias parameter α.

When ...

Now
- ▶ Want
- ▶ But

Result...

When Vote Buyer B pays bribes to all three legislators, the bribes are such that the legislators' ideal points gross of bribes are equalized.

One Vote Buyer

Result...

When Vote Buyer B pays bribes to exactly one legislator, it may be any one of the three legislators depending on the bias parameter α.

Result...

When Vote Buyer B has a low willingness to pay, he does not bribe any legislator.

Varying Uncertainty Across Legislators

Now

- ▶ Want
- ▶ But

Conjecture

When there is no bias in the positions of the legislators ($\alpha = 0$), the bribes of legislators whose ideal points are at the median in terms of uncertainty receive the highest relative bribes.

Result...

It is possible that neither vote buyer bribes any legislator on a given vote. This occurs when both vote buyers' willingness-to-pay parameters are small.

Result...

It is possible for both vote buyers to bribe legislators on the same vote.

Future Work

- ▶ A
- ▶ I
- ▶ C

Conclusion

Taking into account

- ▶ provides
- ▶ demonstrates
- ▶ helps