Political Uncertainty

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Skype with Sebastian, Feb. 12, 2015

We agreed to focus efforts for now on finding a base model to facilitate empirical identification. Our candidates:

1. Groseclose & Snyder (1996)

   - Perhaps add, as in Sebastian's book, that legislators are constrained by voters?

2. Dal Bo, Bribing Voters

   - Adds uncertainty to Groseclose/Snyder. What kind?

3. Justin Fox and Larry Rothenberg, "Influence without Bribes: A Noncontracting Model of Campaign Giving and Policymaking," Political Analysis (2011)

   - This is a model where no contracting is possible [someday I'd love to write a model that isn't perfect contracting or no contracting—but that shows how this quasi-enforcement that we end up with comes about, but I think we're better off with a contracting model for now]

   - Uncertainty is about the politician's policy preferences; there are two periods of policy choice with an election in between, and the interest group uses the first policy choice to learn about preferences before making campaign donation (PBE is soln. concept)

   - Politician's types are private info; drawn from independent density functions f_i (incumbent) and f_c (challenger)

   - Election winner chooses preferred policy in second period

   - There is one interest group (they say results extend to more), and it never donates to more than one of the two politicians

   - There are only two politicians with unitary decision making depending on who's in office; this contrasts with our legislative data, so I think it would be hard to adapt to our context

4. A variant of Grossman and Helpman I've been working on

Questions

1. What kinds of results do we want to produce?