ESCHATON – ROUND 2, 3 & 4 INSTRUCTIONS
(Skip to Codebook: "Society Responses" for Updated Material)

INTRODUCTION TO COMPARATIVE POLITICS
THE OHIO STATE UNIVERSITY, AUTUMN 2018

Instructor: Kevin Simmt
Contact: simmt.1@osu.edu

Objective

Your performance will be judged based on metrics of your society's prosperity. This will, indirectly, be implicated by your ability to provide a security apparatus in addition to economic provisions such as education and infrastructure.

Your grade, as such, will be assigned based on how well you do, in contrast to a counterfactual comparison of how well-off your society might have been – given an optimal policy program being implemented (as per a statistical model I have produced).

The Eschaton Universe – Explanation Below
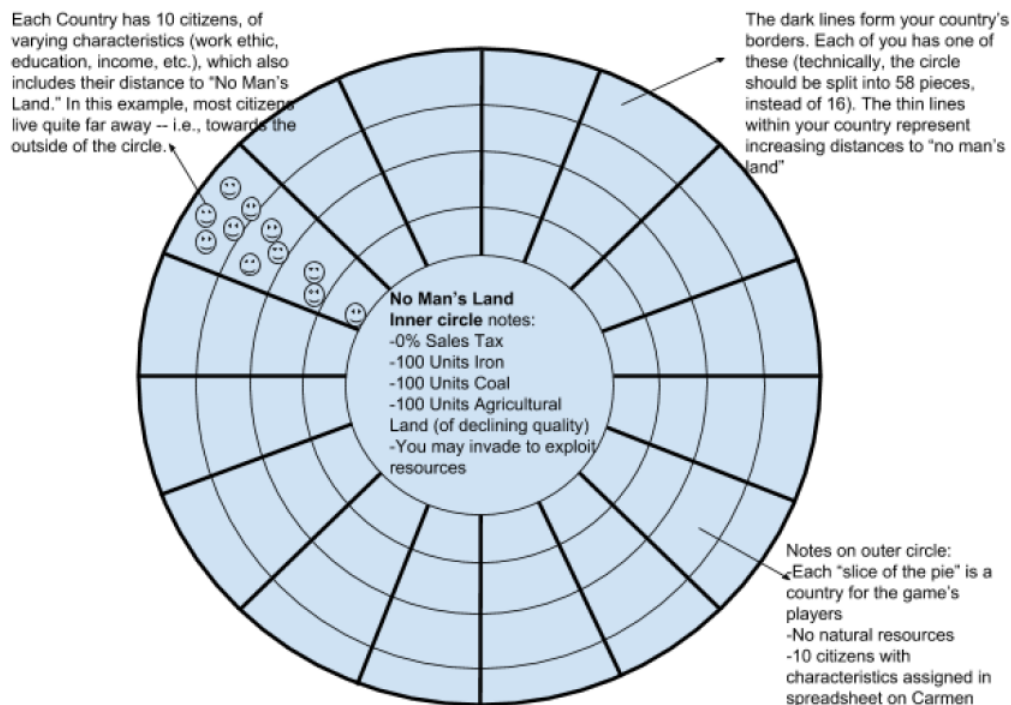
Instructions

First, locate the excel spreadsheet on Carmen that contains your citizen's initial characteristics (i.e., this is "your society" at its origin, "Time = 1"). You are assigned 10 citizens, who are identified with your name in the leftmost column.

Second, use this spreadsheet to review their characteristics – while using the **codebook** (included below!) to understand what all the different variables mean.

Third, consider the map of the Eschaton universe. You and all your classmates, each, have one plot of land (shaped like a piece of pie with a bite taken out of it) along the outer edge of a circle, called "no man's land." Your plot of land contains your 10 citizens. Within your plot, your citizens live at randomly assigned distances away from "no man's land" – this "increasing distance" is demarcated with the thin concentric circles within your pie-shaped territory.

Now, here's the trick. Much like the colonizers of old, your plot of land has already been strip of its natural resources. The middle is "No man's land," as in there is no government controlling it. For you, this presents both a challenge and an opportunity. The challenge: "no man's land" has a 0% sales tax. So, your citizens, depending on how close they live, might choose to spend money there instead of within your own economy. Yet, it also presents an opportunity: you can dedicate some of your government budget to military expansion, so as to colonize it and extract its iron, coal and agricultural products. Keep in mind: there are limited resources and you are in competition with your classmates for a share.

Fourth, locate the policy decision spreadsheet on Carmen under "Collaborate." This is essential. In this spreadsheet, you will insert what you perceive to be the best possible policy decisions for your society (again, you must review the codebook below to know what each variable refers to). BE CAUTIOUS: there are rules – expressed in the codebook – that your policy decisions must abide.

Fifth, write-up a short essay (250-500 words) justifying your policy decisions. At the top of your paper, reassert the policy decisions you made in bullet points (just so I have a quick point of reference). *A template is included below!!!* Pay attention to making a concise argument of clearly laid-out logical deduction, rather than feeling the need to fill the page's white space space. Fluff is not rewarded.

Sixth, in the coming weeks you will play a second round of Eschaton that builds off your decisions in this first round. I have created a statistical program in R that estimates the effects of your policy decisions on your citizens, given their characteristics. Thus, I produce a updated spreadsheet of your society at "Time = 2." At a later date, you will play Round 2 of Eschaton using this updated spreadsheet of citizen characteristics. As such, you will then return to the start of these instructions and repeat the process.

The Major Game Pieces

Four major components produce the universe in which you operate. First, an excel spreadsheet with your citizen characteristics, located on Carmen. This spreadsheet tells you what you've "got to work with." Second, a different excel spreadsheet (also located on Carmen but under the "Collaborate" tab) requires that you type-in your policy decisions. These decisions

should be tailored to use your society's relative strengths, while avoiding reliance on your society's relative weaknesses. Third, my R program, which updates your society's/citizens' characteristics based on the policies you implement. Fourth, this very document: the instructions should make clear how the game is played. Crucially, the codebook now follows.

Codebook – Characteristics & Policy Decisions

Citizen Characteristics

Locate the spreadsheet on Carmen with all citizen characteristics. There are 580 citizens total, which is 10 for each student in this class. Find the ten relevant to you (I have included your name as the leftmost column for identification purposes). From there, get to know your citizens based on the following variables:

1. *Student*: This variable includes the names of students in the class, so they can identify which citizen's are theirs.

2. *Work Ethic*: Each citizen is assigned a work ethic between 0 (works only for reasons of extrinsic value – i.e., money) to 10 (works only for reasons of intrinsic value – i.e., religiously motivated to endlessly work, "workaholic").

3. *Distance to Border*: Each citizen is a certain number of kilometers (miles) away from "no man's land," where they may choose to do their shopping free of sales taxes.

4. *Education*: the citizen's number of years being educated.

5. *Income*: The amount of income each citizen earns.

Policy Decisions

Locate on Carmen under "Collaborate" the excel file. In here, insert your policy decisions by inserting a number between 0 and 100%. Remember that some categories have rules: **ABIDE BY THE RULES**... there are penalties for failure to do so.

Revenue Decisions

1. *Taxes Percent GDP*: Here you should insert what percent of your citizen's total income you want to tax. **RULE: must be above 10 and below 90 percent.** No communist nor capitalist society could, today, exceed these bounds.

2. *Type of Taxation*: You get to decide what percentage of your tax revenue comes from income taxation vs. sales taxation. **RULE: THESE MUST ADD UP TO 100%.**

   (a) Income Tax, Percent of Total Taxes: Decide what percent of your total tax revenue will come from taxing incomes.

   (b) Sales Tax, Percent of Total Taxes: Decide what percent of your total tax revenue will come from taxing consumption.

Expenditure Decisions. RULE: THESE MUST ADD UP TO 100%

1. *Education Expenditure as Percent of Tax Revenue*: Percent of government budget spent on education of citizens.

2. *Military Expansion and Exploitation as Percent Tax Revenue*: Percent of government budget spent on expanding into "no man's land" to extract resources. **Rule: MINIMUM 10%** since your society has exhausted all resources and needs at least a baseline of food, coal and iron to operate industry/not starve.

3. *Infrastructure as Percent Tax Revenue*: Percent of budget dedicated to building up the country's infrastructure (roads, bridges, etc.).

4. *Redistribution as Percent Tax Revenue*: Percent of revenue raised to be redistributed in equal lump sum to each citizen. Thus, every citizen revieves an equal sum back from the government, but high income citizens will pay more into the "pot" than they receive back and vice-versa for those of low income.

Society Responses (Beginning Round 2)

Now in the second round, we can consider the response of citizens to your policies. Did disincentives outweigh capacity building – or vice-versa?

Note that Work Ethic and Distance to NML are "sticky" in the short- (and middle-) term. It is hard to change who you are at the core (and, as well, to move homes).

The following variables are in the files for all rounds after the second:

1. *Original_Income*: Income before any policy is in effect.

2. *Income_After_Tax_Disincentive*: The income citizens decide to earn upon considering the "costs upon labour" given tax policy you seek to implement.

3. *Income_After_Military_Exploitation_NML*: The income of your citizens after gaining from the natural resource exploits of NO Man's Land (NML).

4. *Income_After_Government_Programs*: The income of citizens after benefiting from government goods and services, in addition to redistribution. While some programs lead to direct transfers, other build citizen capabilities.

5. *FINAL_INCOME_After_Macroeconomic_Adjustment*: The income of citizens after macroeconomic effects, such as aggregate demand in the economy, are taken into account.

Rubric:

- 1 point for updating the "collaborate" excel file with your decisions.

- 1 point for including a summary of your policy positions at top of your mini-essay.

- 3 points for merits of your argument justifying your policy positions in the mini-essay.

- 5 point DEDUCTION maximum for RULE VIOLATIONS as laid out in the Codebook.

NOTE:

See following page for a helpful template for your mini-essay!

Template of Mini-Paper for Submission

Your paper should have roughly the following format. Note my request that you include a summary of your policy positions atop the essay:

Name:
Course Code:
Assignment Name:
Date:

Summary of Policy Decisions

Revenue Decisions:
Taxes as % GDP: 50
Income Tax as % Total Taxation: 50
Sales Tax as % Total Taxation: 50
(Note: Income + Sales must equal 100%)

Expenditure Decisions:
Education Expenditure as % Budget: 25
Military/Expansion Expenditure as % Budget: 25
Infrastructure Expenditure as % Budget: 25
Redistribution Expenditure as % Budget: 25

Mini-Essay: Justification for Policies

Under this heading, you write up a 250-500 word essay to justify your decision. It is good to focus on particular decisions, rather than every decision, insofar as you make a detailed, tight, argument... Justify carefully, speak concisely. Avoid fluff.