

Part 3: LAST PART! (10 points)

The first constitution, the Articles of Confederation, was unsuccessful at governing our new nation. The second attempt at self-governance has lasted over 200 years. Briefly 1) explain the problem the U.S. Constitution solved that the Articles of Confederation could not and 2) discuss the central difference between these two attempts.

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The US Constitution solved the coordination problems ~~that~~ <sup>threat</sup> plagued the Articles of Confederation, such as ~~freedom~~ <sup>of</sup> ~~the~~ <sup>the</sup> Constitution had very weak central government, and ~~the~~ <sup>therefore</sup> could not require coordinate law-making well. Additionally, unanimity was infeasible for a law to pass in the Articles of Confederation, which was infeasible and led to political gridlock (no laws getting passed). The Constitution had only a 2/3 majority needed, and a stronger central government actually had the power to coordinate the states, such as by enacting a national military. In the Articles of Confederation, the military was supposed to be supplied by the states, but most states just free-ride and it led to a very ineffective military. Another example of a problem with the Articles of Confederation was that the federal government was too weak to enforce a tax on the colonies; they had no central governmental military to enforce any collecting (no cost to free riding), so some colonies simply did not pay their share of the federal budget. Luckily, the stronger central government of the Constitution was able to solve these coordination problems and produce Extra Credit! (1 point) ~~the~~ <sup>the</sup> wonderful government we have today. + ↴

James Madison

Who is Professor Vavreck's favorite Founding Father?



PS40 Midterm  
2019

WRITE YOUR NAME Ashwin Parade

WRITE YOUR TA'S NAME Antonio Vitalone

SECTION DAY/TIME Friday 1pm - 1:50pm

You have 1 hour and 15 minutes to complete this exam.

When you finish your exam, please be courteous as you quietly gather your belongings and exit your row. Be sure to hand your exam in to **YOUR TA & SIGN OUT.**

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PART 1—Identification & Significance (5 points each, 50 total points)

Please DEFINE each term and explain its SIGNIFICANCE to American politics. To be clear, provide a definition for the term and then, in 2 or 3 sentences, answer the question: "What does this have to do with American politics and why is it important?" You should draw from the major themes we have discussed in class as you answer these questions.

You should spend no more than 5 minutes on each term you choose. Choose 10 (ten) terms from the following 12. Write the TERM and then your answer below.

- ~~Free Riders~~
- ~~Coordination Problem~~
- ~~Conformity Costs~~
- ~~Tyranny of the Majority~~
- ~~Equal Protection Clause~~
- ~~Agency Loss~~
- Freedom Riders
- ~~Frugality of the Commons~~
- ~~Transaction Costs~~
- Community Standards
- ~~Nash Equilibrium~~
- "Men are not angels"

5

1) Tyranny of the Majority

The tyranny of the majority is a problem Madison talked about in his Federalist 10, ~~introduces~~ happens when a majority faction controls government, and hence marginalizes minorities and minority rights. Majoritarianism, as it is also known, is dangerous since it can <sup>1</sup> minorities, because minorities won't have a say. Preventing the tyranny of the majority led to the creation of the Electoral College and the bicameral legislature of Congress; both of these institutions limit the effect of a majority since smaller states can have great power in places like the Senate, and the Electoral College gives disproportionate power to those in small states. The whole idea of a republic in fact, is built to be different than a direct democracy, in order to prevent the formation of a tyranny of the majority.



## 10) Freedom Riders

The Freedom Riders were civil rights activists that rode through the South protesting segregation and fighting for equal opportunity. The brutality against the Freedom Riders eventually

led to landmark acts such as the Civil Rights Act and

Voting Rights Act, monumental civil rights victories that fought segregation. They will always be remembered as an important part of the Civil Rights movement.



## 4.5

### 2) Conformity Costs

Conformity costs are the costs associated with agreeing to a group decision if your individual preferences do not align with the group's decision.

Conformity costs are a necessary byproduct of the American government - for example, in the 2016 Presidential Election, all those who voted for Hillary had to pay conformity costs since Trump won in the form of policies Trump passed that might've negatively affected them.

Political institutions attempt to minimize conformity costs by only going forth with decisions that most people agree to, but unanimity is impossible (as we can see with the Articles of Confederation) so someone will always end up paying some form of a conformity cost. *increase w/ size, diversity*

### 3) Tragedy of the Commons

In a shared-resource system, where one person acts to maximize their own personal well-being while harming the overall well-being of the group, eventually leading to the depletion or destruction of that resource. An example involves companies polluting the atmosphere to increase their profit margins despite the negative effects on clean-air. Government institutions work to reduce the tragedy of the commons by aligning the maximization of personal well-being with the maximization of group well-being, and/or by adding costs to an individual taking more than their fair share. For example, the government could establish a carbon tax to prevent companies from polluting excessive amounts into the atmosphere.

### 4) Transaction Costs

## 4.5

Transaction costs are the costs associated with crafting a solution to a collective action problem, such as the time spent communicating and coordinating with the group to reach a decision. Transaction costs are NOT the costs to actually carry out the decision - they are the costs to reach that decision in the first-place. In the US, we have representatives to reduce our transaction costs regarding making policy decisions - instead of individually voting for each piece of legislation.



we use representative to decrease our costs, streamlining government and allowing policy to pass more easily.

increase w/ gay marriage

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Equal Protection Clause

A clause in the 14th amendment that guarantees equal rights to all citizens. Originally, this definition applied only to political equality, as found in the 1896 Plessy v Ferguson "separate but equal" doctrine, but in Brown v Board around the mid 20th century a new precedent was set that guaranteed both political equality and social equality. The Equal Protection Clause helps prevent discrimination against minorities, and is key in the formation of Civil Rights laws. In addition to Brown v Board, it has been used to legalize gay marriage across the United States.

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Free Riding

A collective action problem where even if a person contributes nothing to maintaining/preserving a public good, they still receive its benefit. This leads to people not contributing to the public good, since it doesn't align with maximizing their personal well-being. Eventually, free riding can cause a public good to no longer exist. For example, PBS and Big Bird - Sesame Street eventually had to be sold to HBO because no one was donating money, they eventually moved to HBO because no one was donating money, they eventually just free riding. The govt can prevent free riding by installing cost institutions that penalize it, or by institutions such as taxes that force people to pay for public goods.



Part 2: SHORT ANSWER (40 points)

The U.S. Constitution details how power is allocated. The following questions are about clauses or amendments that address power. Read each question carefully - they are asking you to discuss different things even though the questions (if read quickly and not carefully) sound the same!

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1. Explain why and to whom the Supremacy Clause of the Constitution and the 10<sup>th</sup> Amendment to the Constitution initially allocated power. all Initially, the Supremacy Clause and 10th Amendment allocated power to the states, other than the enumerated powers explicitly defined in the Constitution for the Federal government. The Founders did this in an attempt to limit the power of the Federal government, since they were very scared of ~~power~~ tyrannical and a tyrannical government. Initially, the US government stayed very weak compared to today (although significantly stronger than the Articles of Confederation); it was not until later that ~~the~~ its power expanded. Fresh from the tyranny of King George III, the Founders left the power of the Federal government small to avoid a repeat of the Revolutionary War.

2. Explain why and to whom the Supremacy Clause and the 10<sup>th</sup> Amendment have been used to eventually re-allocate power since the Constitution was ratified.

The 10th amendment and the Supremacy Clause have now been used to reallocate an immense amount of power to the Federal government, despite the intentions of the Founders. For example, in 1819 McCulloch vs Maryland established the Supremacy of the Federal Government over the states, as well as the Elastic Clause, that gave the government the power to make all necessary and proper laws needed to enforce the enumerated powers. These 2 clauses expanded the federal government power far past the amendments alone, and now the US government has a huge amount of power compared to the states. The power of the Supremacy Clause can be seen recently through marijuana, where the Supreme Court continues to rule marijuana as illegal despite state's laws against it, and no enumerated power talking about marijuana (except a very loose interpretation of the Commerce Clause). The 10<sup>th</sup> amendments' power has been weakened as well, with the Federal Government having power over a large amount of rights/laws because the Supreme Court tends to support the federal government over the states, as seen in recent court cases. So, the federal govt has more power because of Supremacy Clause and Supreme Court interp. of 10<sup>th</sup> amendment.



4.5

### 7) Nash Equilibrium

A Nash equilibrium is a suboptimal outcome that occurs even when rational actors act to maximize their own personal well-being, and popular examples include the Prisoner's Dilemma. A key part of game theory, Nash Equilibriums help explain the difficulty of solving coordination problems in US politics. An example involves the Cold War between the US and Russia. Both sides have 2 options - build more weapons, or ask for a peace treaty. However, regardless of what the other side does, the best decision for each country is to continue building weapons, which leads to a Nash equilibrium of a Cold War (wasting resources for both sides). Another example involves Congressional Gridlock, when both sides are scared to compromise for fear of seeming weak. *redution?*

### 8) Coordination Problems 4.5

Coordination problems arise when a group cannot agree on a decision, perhaps due to conflicting interests or the hardship of communication. Coordination problems expand with size (harder for a larger group to agree on everything), and involve freeriding, Tragedy of the Commons, and the Prisoner's Dilemma. Congress trying to pass law is an example of a coordination problem. *why?*

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### 9) Agency Loss

Agency loss is ~~then voters~~ a difference between what voters want their representatives (agents) to do, and what they actually do. Too much agency loss will cause an agent to lose support, and they might not be reelected, since agents are supposed to represent the people/voters. Hence, representatives need to keep an eye out for becoming out of touch with their voters.