



What do candidates maximize (and why should anyone care)?

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Abstract. Much empirical work on Congressional elections implicitly assumes that candidates are vote-maximizers; this may be a fair assumption for challengers, but it is not a good description of incumbent behavior. I present a general intertemporal utility maximizing model of candidate behavior, which includes vote-maximization as a special case. I then demonstrate that these models have important consequences for both the design and interpretation of empirical work.

1. Introduction

Empirical research on Congress often consists of making inferences about the importance of institutions or events based upon comparisons of the vote-getting or fund-raising success of candidates for office. Recent examples of this are seen in the research on the electoral effects of incumbency (Levitt and Wolfram, 1997), campaign spending (Levitt, 1994; and Gerber, 1998), committee assignments (Milyo, 1997b) and scandals (Jacobson and Dimock, 1994; and Groseclose and Krehbiel, 1994), as well as studies of the fund-raising value of committee assignments (Grier and Munger, 1991a and 1991b; Milyo, 1997b; and Crain and Sullivan, 1997). This work has its genesis in Mayhew's (1974) description of incumbents as motivated by reelection concerns; this "electoral connection" is typically implemented through the implicit assumption that candidates maximize their vote-shares.

The assumption that incumbents are primarily motivated by re-election concerns has proven fruitful for the understanding of both the behavior of legislators and the workings of legislative institutions (Mayhew, 1974; and Fenno, 1978). However, in the context of most empirical work, the notion that incumbents are primarily motivated by re-election is one thing, the assumption that all candidates for elective office seek to maximize their vote-shares is quite another. This point is well understood by students of Congress; it just has not been implemented in empirical work. I argue that the assumption of vote maximization remains implicit in much of the empirical literature on Congressional elections and campaign finance. This implicit assumption

drives the design and interpretation of empirical work to an extent which is neither fully appreciated nor intended.

The predictions of pure vote-maximizing behavior are easily falsified by the existence of voluntary departures from office, candidate savings and debt, predictable changes in savings and debt, and the apparent ability of candidates to “crank up” effort in response to adverse circumstances.¹ A more general intertemporal utility, maximizing model of incumbent behavior can explain these circumstances and still incorporate the essence of the electoral connection. However, this more general approach renders suspect prior empirical work on the electoral effects of incumbency, committee assignments, scandals and campaign spending, as well as the fund-raising value of committee-assignments.

I argue that incumbents are intertemporal utility maximizers, but that challengers may be viewed as simple vote-maximizers. This is because so few incumbents face serious competition for their seats. This allows many incumbents to “slack off” with little in the way of damaging consequences to themselves; however, this behavior does have important consequences for empirical work on elections. Incumbent effort is not easily observed or measured, so it will be treated as a latent or unobserved variable; this confounds the omitted variable bias which has plagued the literature on the electoral effects of campaign spending.² Further, to the extent that most incumbents have slack effort, the effects of incumbency, committee assignments or scandals may not be clearly or completely manifested in observable variables, such as incumbent vote share or campaign finances.

This paper proceeds in several sections. I first present some descriptive statistics which motivate the claim that incumbents are intertemporal utility maximizers. Next I present a simple model of this behavior, which includes vote maximization as a special case. I then argue that while incumbents are best viewed as intertemporal utility maximizers, it may be fair to model challengers as simple vote maximizers. Finally, I show how the choice of model affects the interpretation of empirical work.

2. Evidence of slack in the electoral connection

It is quite easy to demonstrate that candidates engage in behavior which is difficult to reconcile with pure vote-maximization. For example, former Representative Dan Rostenkowski (D-IL) was renowned for using his campaign treasury as a personal slush fund; former Senator Carol Moseley-Braun (D-IL) has been accused of the same. But evidence of slack in the electoral connection is not limited to anecdotes about politicians from Chicago.³