

# *Twitter and the Public Choice Course: A Pedagogical Vignette on Political Information Technology*

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## **Abstract**

Given the paucity of undergraduate textbooks in public choice, instructors often look for innovative approaches and unique examples when teaching undergraduate courses in public choice economics. This essay offers a pedagogical vignette for undergraduate courses in public choice that deals with the technological development in political information represented by “tweeting.” Twitter offers mobile communications services that some representatives use to boost their stock of political reputation capital.

“Share and discover what's happening right now, anywhere in the world.” (twitter.com)

## **Introduction**

A recent pedagogical essay by Mixon (2010) points out that the paucity of undergraduate textbooks in public choice begs for innovative approaches to teaching undergraduate courses in public choice economics. In this regard, Mixon (2010) provides an “economics in the movies” approach to discussing bureaucracies in undergraduate courses in public choice economics. Specifically, it offers some movie scenes from *Conspiracy* and *Valkyrie* that can be integrated into a discussion of Breton and Wintrobe's (1982 and 1986) modern theory of bureaucracy. This essay augments Mixon (2010) by offering a pedagogical vignette that can enhance part of the content or subject matter of a traditional undergraduate public choice course.

## **Background Discussion**

As Sass (2004: 17) states, formal development of the choice between direct democracy and representative democracy is owed to Buchanan and Tullock (1962), who identified both the *external costs* and *decision-making costs* associated collective decision-making. The first of these include costs imposed on an individual by the actions of others, while the second represent the costs one incurs as a result of his or her participation in collective decision-making process (Sass, 2004: 17). Of course, public choice economists have been instrumental in developing the understanding that representatives seek to maximize their own utility, and vote accordingly. As a result, voting outcomes may be far removed from the preferences of constituents. This potential divergence exposes voters to losses from decisions made by their representatives (Sass, 2004). To the two costs above, public choice economists have added *agency costs*, which represent the costs incurred by voters in monitoring and constraining representative behavior *plus* the net cost of undesired representative actions that remain (Sass, 1992).

Dating back to Downs (1957), public choice economists have viewed voters as being *rationaly ignorant*. That is, voters realize that the probability of casting a decisive vote in a major election is infinitesimal, while at the same

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time the costs of participating in collective decision-making processes can be significant. Thus, many voters approach the political process without incurring the same level of search costs that are often incurred when making market (consumption) choices. Barzel and Sass (1990) and Sass (1992) extended Buchanan and Tullock's (1962) model by explicitly integrating the costs to voters of acquiring information to make enlightened decisions into the notion of decision-making costs (Sass, 2004: 17).

Relatedly, in seminal studies economists have examined the economics of information and its links to product/services advertising, search and signaling (Stigler, 1961; Spence, 1973; Nelson, 1970 and 1974). Here, the quantity, quality and form of advertising and information provision are functions of goods/services and buyer characteristics, in addition to relative prices (Ekelund, Mixon and Ressler, 1995). Nelson (1970 and 1974) suggested an analytical classification of goods with *search* and *experience* characteristics. Though defining these goods types has been the subject of much debate (see Laband, 1991; Ekelund *et al.*, 1995), Benz (2007) defines search (experience) goods as those for which the characteristics (quality) of the goods can (cannot) be determined prior to purchase at low cost. Suppliers of experience goods find it beneficial to provide consumers evidence regarding the quality of their product. This evidence is often transmitted by the content of various forms of advertising.

Crain and Goff (1988) indicate that one branch of analysis of political advertising simply applies the product advertising construct above to politics. Nelson (1976) suggests that political services are more like search goods, given that candidates' service records are available to voters. Thus, a candidate's actual record can be compared with his or her advertised record. Telser (1976), on the other hand, argues that political services are more like experience goods because it is difficult to draw inferences about the future behavior of candidates. Ferguson (1976) adds to this argument by pointing out that the costs of investigating candidates' records can be high (see also Crain & Goff 1988). Ultimately, and as Crain and Goff (1988: 8) suggest, a continuum exists between the polar cases of search and experience, with most products, including political services, falling somewhere along the continuum.<sup>4</sup>

### A Pedagogical Vignette

Our pedagogical vignette makes use of the background discussion above through the technological development in political information provision that is represented by a form of mobile text messaging that is commonly known as "tweeting." Twitter is the well-known San Francisco-based company that provides public mobile text messaging services that are fully integrated with members' cell phones, personal computers, cameras and media players. These messages, known as "tweets," comprise up to 140 characters (twitter.com). According to the company's website, Twitter creates a platform for its users to "... influence what's being talked about around the world (twitter.com)."

Members of the U.S. Congress are now incorporating tweeting in their menus of options for communicating with their constituents. In some cases, they are creating controversy by doing so (see Herzog, 2009). Representative Jason Chaffetz, a freshman (in the 111<sup>th</sup> Congress) U.S. Representative from the 3<sup>rd</sup> Congressional District of Utah, tweeted before during and after President Barack Obama's February 2009 speech before a Joint Session of Congress. His written account even recognizes the potential benefits Twitter offers to politicians. He writes (Chaffetz, 2009), "People are amazed that it is really me on Twitter. They are flabbergasted that they can communicate with me directly. Others in Congress are doing it as well. I think it has long-term ramifications. All the members are here to represent thousands of people, and communication is the key. If you do it right, it can even be fun." Indeed, the Chaffetz story highlights how the experience goods nature of political services makes a strong case for why it is rational for freshmen legislators have an interest in social media (e.g., Twitter). Thousands of people can feel represented and personally connected to their representative through a medium that they are already spending a significant amount of time following.

Following Mixon, Ressler and Gibson (2003 and 2009), who point out that voters typically have more information about long-standing legislators than they do about recently-elected ones, it is expected that freshmen

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<sup>4</sup> Integration of the goods classification into the analysis makes the pedagogical vignette in this essay is potentially useful in an undergraduate industrial organization course. Cabral (2000) and Waldman and Jensen (2007) include a discussion of the search-experience goods dichotomy in their industrial organization text. Other IO texts likely do so as well.

legislators, such as Chaffetz, are more likely to make use of Twitter than non-freshmen legislators.<sup>5</sup> Source Watch (sourcewatch.org) lists 19 U.S. Senators who were using Twitter to communicate with constituents during the first half (session) of the 111<sup>th</sup> Congress. We coded the party affiliations of all Senators (at the beginning of the 111<sup>th</sup> Congress) as well as their tenure status (1=freshman, 0=non-freshman). A Twitter dummy (1=“Senator tweets,” 0=“Senator doesn’t tweet”) was regressed (logit) on these, and the results were used to calculate the probabilities shown in Table 1.<sup>6</sup>

Table 1 – Probability Estimates

	Freshman	non-Freshman
Democrat	0.279	0.123
Republican	0.463	0.239

As indicated in Table 1, the probability that a freshman Democrat senator “tweets” is 0.28, or about two times the probability that a non-freshmen Democrat does, which is 0.12. On the Republican side, these probabilities are 0.46 and 0.24, respectively. Thus, freshmen senators of both parties appear to be about twice as likely to use the political information technology advancement represented by Twitter than their non-freshmen counterparts. This is likely so due to their desire to boost their stock of political reputation capital while waiting on their legislative voting and legislative sponsorship activities to get off the ground (develop further). As these freshmen Senators gain additional terms in office, their national exposure will increase via committee assignments and heightened political status. Accordingly, the marginal benefits from tweeting will fall. As for the other effect, a Republican senator is more likely to “tweet,” *ceteris paribus*, than his/her Democrat counterpart. This may be because the advent of the tweeting phenomenon came largely at a time when Republican senators were in the Senate minority. For them, tweeting represented an additional outlet for opposing the majority party on the salient issue of the day.

### Concluding Comments

College students are typically ahead of the curve when it comes to making use of various communications technologies. As such, the use of Twitter will likely be well-understood by undergraduate public choice students. The idea that elected representatives are making use of mobile texting services provided by Twitter is intriguing in many ways. Use of a pedagogical vignette on political “tweeting” offers a compelling beginning for a wider classroom discussion of political information provision.

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<sup>5</sup> Mixon, *et al.* (2003) point out long-standing legislators have (1) more established/lengthy voting histories, (2) sponsored more bills/legislation, and (3) appeared more often on network/cable news and political shows debating issues than have freshmen legislators.

<sup>6</sup> Burgess, Mixon and Ressler (2010) develop a more comprehensive econometric model of the public choice aspects of tweeting in the U.S. Senate, including age, tenure, and other characteristics of senators, as well as various demographic characteristics of the electorates.

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