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## Higher Hurdles for Incumbents

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# Higher Hurdles for Incumbents

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## Abstract

Democratic elections may not select the most able candidates and deselect less able ones. We suggest strengthening the selection power of elections by requiring vote thresholds that are higher than 50% for incumbents in the United States Congress. These vote thresholds restrain socially detrimental incumbency advantages. They would also induce more bipartisan approaches to reforms, reduce polarization, and hold out prospects for credible attempts at debt reduction.

## 1. The Problem

Incumbents in the House of Representatives or in the Senate are extraordinarily successful when they seek reelection. Incumbent reelection rates are over 90% in the US, and the frequency of “close” elections has declined over time. Depending on the office-holder's ability, this incumbency advantage can be either welfare-improving or detrimental to welfare.

If an office-holder is more able than his challengers, the incumbency advantage is welfare-improving and elections are a good selection device.<sup>1</sup> Challengers may even be deterred from running against incumbents.<sup>2</sup> However, less able office-holders also get reelected, which is detrimental. For instance, an office-holder may be reelected merely because name recognition makes him better known than his challengers. Moreover, an office-holder has ample opportunity to promote his reelection chances through his policies and actions, which helps less able office-holders to prevail over formidable challengers. For instance, an incumbent may undertake actions that are socially costly, such as pork barrels or lobbying for industry-specific regulations<sup>3</sup>. This attracts the support of interest groups and ensures his reelection, although his ability is inferior to that of his challengers.

## 2. Higher Vote Thresholds

Accordingly, it is useful to restrain the impact of the incumbency advantage on election day. As the incumbency advantage cannot be influenced directly because its sources are too complex, it would be useful to require from office-holders a percentage of votes higher than 50% for reelection. If the incumbent does not obtain enough votes to reach the vote-share threshold, either his challenger is elected or a run-off ballot between two new candidates takes place. The latter procedure would ensure that the candidates elected to public office are those who have the highest number of votes. In a two-candidate race, election would always require the support of at least 50% of the citizens casting votes.

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<sup>1</sup> See Samuelson (1984), Londregan and Romer (1993), Banks and Sundaram (1998), Zaller (1998), Ashworth (2005), and Diermeier, Keane, and Merlo (2005).

<sup>2</sup> See Jacobson and Kernell (1983), Cox and Katz (1996), Stone, Maisel, and Maestas (2004), and Gordon, Huber, and Landa (2007).

<sup>3</sup> See e.g. Rogoff and Sibert (1988), Alesina and Cukierman (1990), Hess and Orphanides (1995, 2001), and Cukierman and Tommasi (1998).

Vote-share thresholds for incumbents have at least two effects. First, a higher threshold stimulates greater effort, as the incumbent wants to be reelected and reelection is less certain. This is desirable. As the incumbency advantage would not suffice to guarantee reelection, the office-holder would have to bolster it with real achievements during his term in office.

Second, a higher vote-share threshold tends to favour incumbents with sufficiently high ability in the reelection bid, as they will be able to garner enough votes for the purpose. This is socially desirable, as long as incumbents with above-average ability are reelected. The voters' attention would shift towards the office-holder's ability, which would find its reward in the required portion of votes above 50%. If the threshold is too high, even incumbents with above-average qualities will be deselected, which is socially undesirable. A socially optimal vote-share threshold balances advantages and disadvantages, is expected to be above 50%, and increases with the number of terms a member of Congress stands for reelection.<sup>4</sup>

### **3. Competition with Higher Reelection Hurdles**

A welfare-optimal vote-share threshold could be set by the public. One could also allow candidates to compete on the basis of vote-share thresholds in which they could commit to a percentage of votes they would need to obtain on reelection day to remain in office. Then the majority of voters will elect the candidate who commits to a vote-share threshold that is closer to the one that a majority of voters desire. True, candidates will still indulge their ideological objectives to some extent. But higher hurdles for reelection would help limit political polarization.

We expect substantial heterogeneity of vote-share thresholds across Districts and States if they are competitively offered by candidates during campaigns. In relatively safe districts for one party, reelection hurdles would typically be higher than in closely contested districts. Over longer horizons, we also expect the election hurdle for incumbents to typically increase with the number of terms an incumbent stays in office. As a consequence, the average term length of office-holders will decline.

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<sup>4</sup> This has been shown in various models (see e.g. Gersbach 2009). There it is also shown that higher vote thresholds do not induce an increase in pork barrel projects or earmarks.

#### **4. Less Polarization and More Reforms**

Vote thresholds could also be a powerful instrument in curtailing excessive government debt and reducing polarization in Congress. Consider the current discussions surrounding the bipartisan debt commission's attempts to propose measures to restore fiscal balance. Party polarization means that expectations are low, despite dire fiscal forecasts. As the commission opened its first meeting, both liberals and conservatives were rallying opposition to either one approach or the other. This is also echoed by former Senator Alan K. Simpson of Wyoming, the panel's co-chairman, who warned that "the extreme right and the extreme left will savage our final product."

Higher hurdles for incumbents would induce more policy moderation as incumbents would need to gain broader support in order to get reelected. Moreover, as members of the House or the Senate cannot easily secure reelection by blocking proposals from the other party, a debt reduction plan with a suitable combination of spending cuts and revenue increases would have a better chance of passing Congress.

#### **5. Conclusion**

Higher vote thresholds for incumbents increase the selection power of democratic elections. As they are easy to implement in practice, it will be useful to experiment with this new instrument. Of course, institutional changes may trigger feedback and consequences that are unintended and impossible to anticipate, both when the change is proposed and when it actually happens. Nevertheless, the welfare potential of higher vote thresholds mitigating the incumbency advantage is such that liberal democracy can afford to explore it – and should certainly do so.

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