

When two or more people are in conflict, social scientists often use models from a branch of mathematics called Game Theory to explain the decisions of these people. The most famous of these models is called the Prisoner's Dilemma Model. In a classic application of this model, two prisoners are captured, and then the police separate them and begin asking questions. Each prisoner has an incentive to give testimony against the other criminal – regardless of whether the other prisoner kept his mouth shut or whether he also provided testimony to the police. Since they face the same incentives, both prisoners will offer testimony against their partner in crime. As a result, both prisoners end up serving substantial jail time. From the prisoner's perspective, this result is unfortunate. If they had both kept their mouths shut, they would have each done a small amount of jail time, say two weeks, and basically gotten off the hook. Because the police separate the prisoners, they cannot cooperate and agree to keep their mouths shut.

When people find themselves in a prisoner's dilemma, they often find ways to cooperate. Criminals decide to join gangs or the mob. These organizations ensure that prisoners do not talk to the police. For instance, the mob will kill a criminal who provides testimony against another mob affiliated criminal, so now criminals have an incentive to cooperate with each other – in order to stay alive. The criminals benefit from this arrangement because they do small stints in jail, rather than serve large sentences. The mob basically enforces the cooperative agreement among criminals that says, I will keep quiet if you do the same.

The prisoner's dilemmas can help us make sense of many different situations that appear, at least superficially, to be unrelated. For example, the Republicans in the House of Representatives find themselves in a prisoner's dilemma. These Representatives have formed into small groups of like-minded legislators. There are three main groups of Republican law makers in the House. The Freedom Caucus is very conservative, the Republican Study Group is simply conservative, and the Tuesday Group is moderate. Each of these groups has an incentive to insist on its own position regardless of what the other groups do. The end result is that very little gets done. The three caucuses would be better off if they cooperated and agree to vote for positions that represent a compromise between their positions. Unfortunately, in previous years the three republican groups have not had a way to enforce this agreement, so each caucus holds out and insists on its position or nothing. Speaker Boehner has not enforced an agreement between the caucuses, so very little was accomplished.

Boehner's speakership is atypical. The majority party in the House usually votes together on most issues. Traditionally Speakers of the House have been able to keep their members in line. They use a combination of threats and rewards to keep party discipline. For instance, new House members usually get assigned to seats on unimportant committees. Those that prove themselves loyal to the Speaker are rewarded with good committee assignments. In order to get good committee assignments, many legislators vote with the party's leadership. Boehner had many tools at his disposal to give strong incentives to republican legislators to follow his lead, but he chose not to use them.

The Republican caucuses will be better off if the new Speaker of the House has a wide latitude to punish and reward members of the caucus. He would be able to force them to cooperate. Paul Ryan was smart to gain commitments from the different caucuses to follow his direction. He has the most leverage over them before he accepts the position. By talking about how much he values his family time and how happy he is as chairman of the House Ways and Means Committee, he has made a credible threat to pass on the job if the caucuses do not agree to follow his lead. The caucuses saw Ryan as one of a few people who can do the job well, so they gave into his demands. Also, the caucuses will agree to give Ryan the power to make them cooperate because doing so enables them to avoid getting trapped in a prisoner dilemma. Much like criminals gain when the mob kills informants, republican caucuses gain when they have a Speaker of the House who can severely punish them if they do not cooperate. Expect the House to start being more productive — if Paul Ryan has a little bit of the Godfather in him that is.

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