

The American Political Science Association Dues Structure

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Introduction

It is well-known that, in theory, free-rider problems plague social situations characterized by voluntary provision of public goods. Relatively little real-world evidence has been found to confirm the empirical prediction. In this note, we offer some confirmatory evidence, based on member payment of dues to the American Political Science Association. Nearly one-quarter of the APSA membership pays dues in the lowest income category. However, a scant 2% of the membership, surveyed randomly, reports having annual income in that category. The good news is that free-riding behavior is quite low in the highest-income category, with over 80% voluntary compliance.

Methodology and Findings

To shed light on this issue, we obtained information from APSA regarding the distribution of paid dues by income category, then distributed questionnaires to 500 randomly-selected non-student, non-foreign "regular" members of the association, asking them to reveal their annual income.¹ We asked APSA members to identify their annual income by category, defined exactly the same as the Association dues structure. The

cover letters sent with the questionnaire card to APSA members read as follows:

Dear _____:

My colleague, Richard Beil, and I are conducting a random survey of American Political Science Association members, to develop a profile of members by employment context and/or academic rank, experience, and earnings. We would greatly appreciate your taking a few seconds to answer the three questions on the enclosed card, which has postage guaranteed, and put it in return mail to us.

Thanks for your time and response.

Sincerely,

The enclosed postcard requested the following information from APSA members:

Annual Income (please check appropriate category):

- \$70,000 and over
- \$50,000–\$69,999
- \$40,000–\$49,999
- \$30,000–\$39,999
- Under \$30,000

Year doctoral degree conferred: _____

Employment context:

- Academic—Rank _____ Instructor
 - Assistant Professor
 - Associate Professor
 - Professor

Non-academic

- Public sector
- Private sector

We identified survey recipients by starting at the beginning of the *APSA Directory of Members 1994–96*

and selecting every tenth individual with "regular" member status. Whenever there was a possibility that the randomly-selected individual was not a regular member or he/she clearly did not list an address within the United States, we excluded that individual from our sample, selecting for inclusion instead the next regular member with a U.S. address.

Of the 500 letters mailed in mid-September 1996 to members of the American Political Science Association, we received 297 usable responses, 6 were returned as undeliverable and 2 responses were unusable. This represents a 60.4% response rate. The distribution of annual income reported by APSA members in response to our survey questionnaire is reported in Table 1.

At the lower end of the income distribution, we observe substantial noncompliance with the dues structure. Approximately 2% of APSA members reported having an annual income in the lowest category, while 25% of APSA members paid dues in that income category. The implied noncompliance with the remainder of the dues structure comes primarily in the \$40,000–\$49,999 and \$50,000–\$69,999 income categories. In both of these income categories, only about two-thirds of APSA members pay annual Association dues consistent with their reported annual incomes. However, at the high end of the income distribution, we observe surprisingly high compliance by APSA members with the dues structure: approximately 83% of APSA members in the highest-income category paid the "correct" annual dues in 1995.

To provide some perspective on the implied cost of dues-avoidance behavior by APSA members, we compare two calculations of the mean annual dues: (1) mean annual dues paid, weighted by the proportion of members paying in each income category, and (2) mean annual dues that "should have been paid"

TABLE 1.
Dues Payment and Actual Income of APSA Members

APSA 1995 Annual Membership Rate	APSA-reported Dues Payment in 1995	Income Category	Survey results on APSA members' Income in 1995
\$65	24.9%	I < \$30,000	2.02%
\$80	12.0%	\$30,000 ≤ I	10.77%
\$95	17.8%	\$39,999	
		\$40,000 ≤ I	25.60%
\$110	21.8%	\$49,999	
		\$50,000 ≤ I	32.32%
\$125	23.5%	\$69,999	
		\$70,000 ≤ I	28.28%

according to responses to our questionnaires, weighted by the proportion of members reporting income in each category. The weighted mean annual dues payment by members of the American Political Science Association in 1995 was \$96.05. If APSA members had paid dues in accordance with the questionnaire-based distribution of income, the weighted mean annual dues payment would have been \$105.15. That is, the APSA actually collected a little over 91% of the recommended annual dues.

Discussion

Although we have suggested that our finding of discrepancies between APSA member payment of annual dues by income category and self-reported annual income represents "noncompliance" by members with the APSA dues structure, we concede that this need not be the case. It is possible, for example, that academic APSA members pay dues based on their academic salaries, while reporting (obviously higher) total annual income. However, our findings suggest that a sizable fraction of APSA members may misrepresent their annual earnings when paying Association dues. Evidently, this does not take the form of the highest-category members diving to the lowest annual dues category but, rather, a combination of migration down the dues structure and payment of minimum dues. The good news is that the cost of the observed

free-riding behavior by APSA members, if this is an apt characterization, is relatively low, in comparison to sociology (Laband and Beil 1997).² The bad news is that 25% of the membership seems to be involved. This might give the leadership of the APSA cause to contemplate seriously the likely impact of any future changes to the dues structure.

It might be argued that with only 2% of the membership declaring an annual income in the lowest category (below \$30,000) that it would be efficient to do away with this dues category. Not necessarily so. Such an action might trigger complete exit by the nearly 25% of the current membership that pays dues in that category.

Indeed, our analysis does not touch on the issue of membership *per se*. That is, we have not analyzed how sensitive membership is to the dues structure. In response to an increase in the suggested APSA dues, we would not only expect noncompliance to increase but also that some fraction of the membership would quit entirely (pay annual dues of zero). Empirical insights in this regard could be obtained by investigating whether revenues received by the APSA go up (or down) when the rate structure increases. An increase in revenues when dues go up would imply that membership demand is relatively inelastic (i.e., not very sensitive to changes in price); a decrease in revenues when dues go up would suggest that membership de-

mand is relatively elastic (i.e., is sensitive to changes in price). In addition, a revealing experiment would be for APSA to pitch some sort of special introductory membership offer to nonmembers. At issue is the magnitude of the resulting increase in APSA membership. While this discussion may imply a discriminatory dues structure, this may be the efficient means of voluntarily providing the associated public goods, in a club context (Hansmann 1981).

Notes

1. The dues payment information for the American Political Science Association was provided by Director of Member Services, Helen Cook, to whom we are grateful.

2. According to our studies, the American Sociological Association collects only about 78 cents on the dollar of Association dues.

References

- Hansmann, H. 1981. "Nonprofit Enterprises in the Performing Arts," *Bell Journal of Economics* 12(Autumn): 341-61.
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