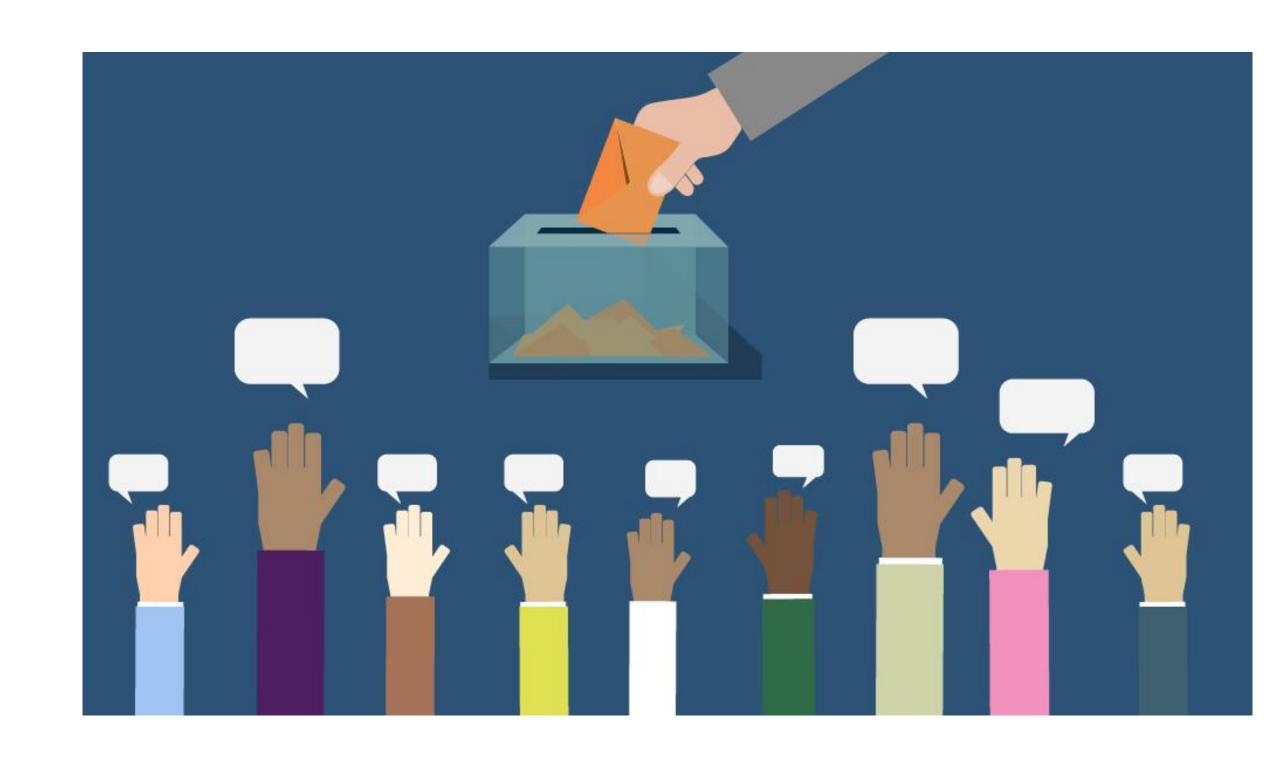
Topic 5: Institutions and democracy





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Topic 5.1: Institutions

Topic 5.2: Democracy



Topic 5.1: Institutions

Investment Institutions encourage saving, investment, and production; it decreases uncertainties and raises predictability in economies. Economic Institutions Development Formal and informal institutions. One of the deep determinants of Institutions affect economic economic development. development with their effect on TFP and on investment. Economic development supports formal and informal institutions. **Total Factor Productivity** Factor accumulation as a result of investment increases the productivity of factors. Institutions create incentives for innovation. It facilitates the adoption of innovations.

Figure 1. Effects of Institutions on Economic Development

Source: It was created by using the studies of North, 1990: 3-6; Isaksson, 2007: 39-42; Dawson 1998: 605.

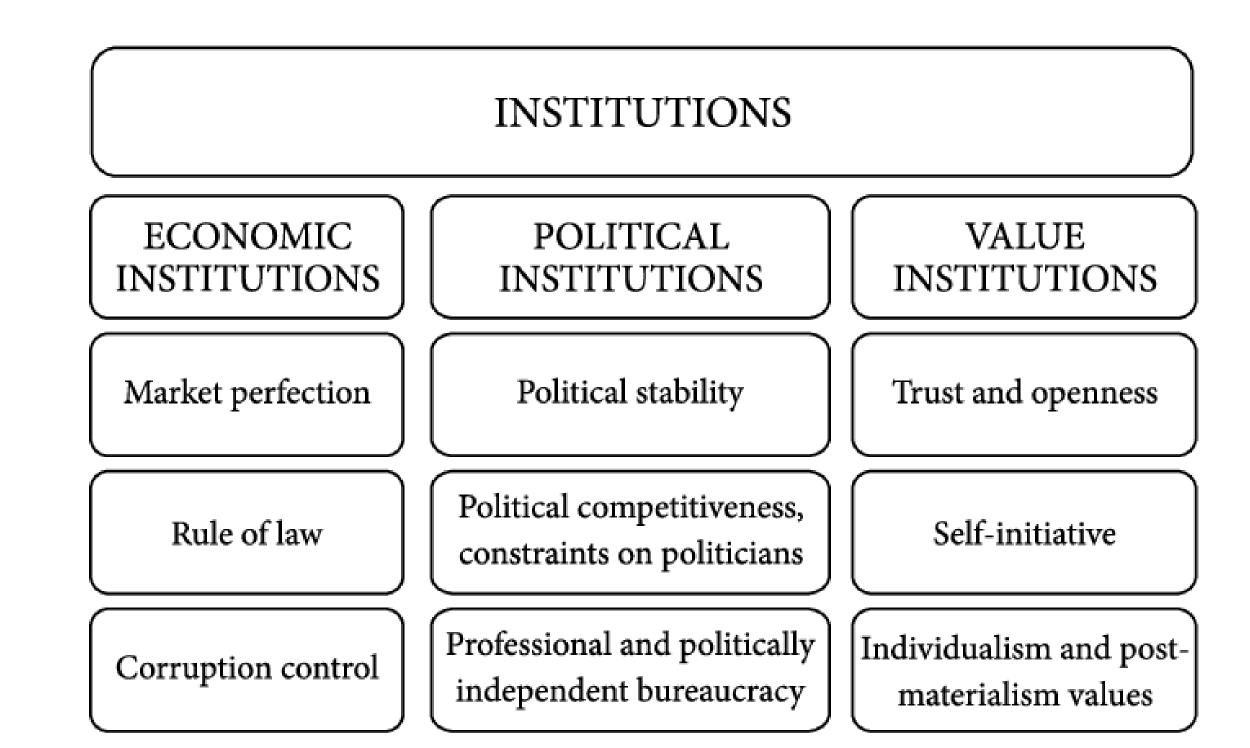
In book: Economic and Financial Analysis of Global and National Developments. Publisher: Ekin Yayınevi



What do we understand by institutions in Economics? A DEFINITION

Definition: In economics, institutions refer to the set of rules, norms, and organizations that guide economic behavior in a society. These institutions establish the "rules of the game" within which economic activities take place, influencing how individuals and organizations interact and make decisions.

They can be categorized into **formal** institutions, such as laws, regulations, and organizations like banks and government agencies, and **informal** institutions, which include cultural norms, social practices, and community expectations





Institutions – why they matter:

DOUGLASS NORTH - NOBEL PRICE 1993

'The central issue of economic history and of economic development is to account for the evolution of political and economic institutions that create an economic environment that induces increasing productivity.'

Why do they matter:

- Establishing and protecting (or not) property rights.
- Facilitating (or hindering) transactions.
- Promoting (or impeding) Economic Cooperation.



Douglass C. North

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Economic History Institutions

Institutions, institutional change and economic performance



TÍTULO CITADO POR AÑO

Cambridge university press



A revision of important papers on institutions that we have already seen in class douglass north - nobel price 1993

- Nunn (2008 QJE), The long-term effects of Africa's slave trades: areas where more people were enslaved (richer at the time) during the slave trade are poorer by the year 2000 + ethnic divisions state centralization (curses 2).
- Acemoglu, Johnson and Robinson (2001 AER), The colonial origins of comparative development: an empirical investigation. **Colonization, settler mortality, extractive or inclusive institutions and GDP today** (lecture 1 Introduction).
- Ali et al (EJ 2019), Britain's divide-and-rule and decentralized power strategies: more ethnic identity (and rivalries), weaker norms against tax evasion, more corruption and crime, stronger traditional chiefs (as compared to French col.).
- Banerjee and Iyer (2005 AER), History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India: the different land tenure systems (landlord vs. non-landlord based) imposed by the British during the colonization period determine important economic outcomes today (presented by group 7 and discussed by group 8).



Empirical evidence that institutions matter for economic development + insights on how.



Feyrer and Sacerdote 2009 (ReStat) - 1

WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

- Was European colonization good for development?
- Use a database of islands throughout the Atlantic, Pacific and Indian Oceans.
- Why?

ABSTRACT

Using a new database of islands throughout the Atlantic, Pacific and Indian Oceans we examine whether colonial origins affect modern economic outcomes. We argue that the nature of discovery and colonization of islands provides random variation in the length and type of colonial experience. We instrument for length of colonization using wind direction and wind speed. Wind patterns which mattered a great deal during the age of sail do not have a direct effect on GDP today, but do affect GDP via their historical impact on colonization. The number of years spent as a European colony is strongly positively related to the island's GDP per capita and negatively related to infant mortality. This basic relationship is also found to hold for a standard dataset of developing countries. We test whether this link is directly related to democratic institutions, trade, and the identity of the colonizing nation. While there is substantial variation in the history of democratic institutions across the islands, such variation does not predict income. Islands with significant export products during the colonial period are wealthier today, but this does not diminish the importance of colonial tenure. The timing of the colonial experience seems to matter. Time spent as a colony after 1700 is more beneficial to modern income than years before 1700, consistent with a change in the nature of colonial relationships over time.



Feyrer and Sacerdote 2009 - 2

WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

- Instrument for length of colonization using variation in prevailing wind patterns.
- Authors argue that wind speed and direction had a significant effect on historical colonial rule but do not have a direct effect on GDP today.
- Are these good assumptions?

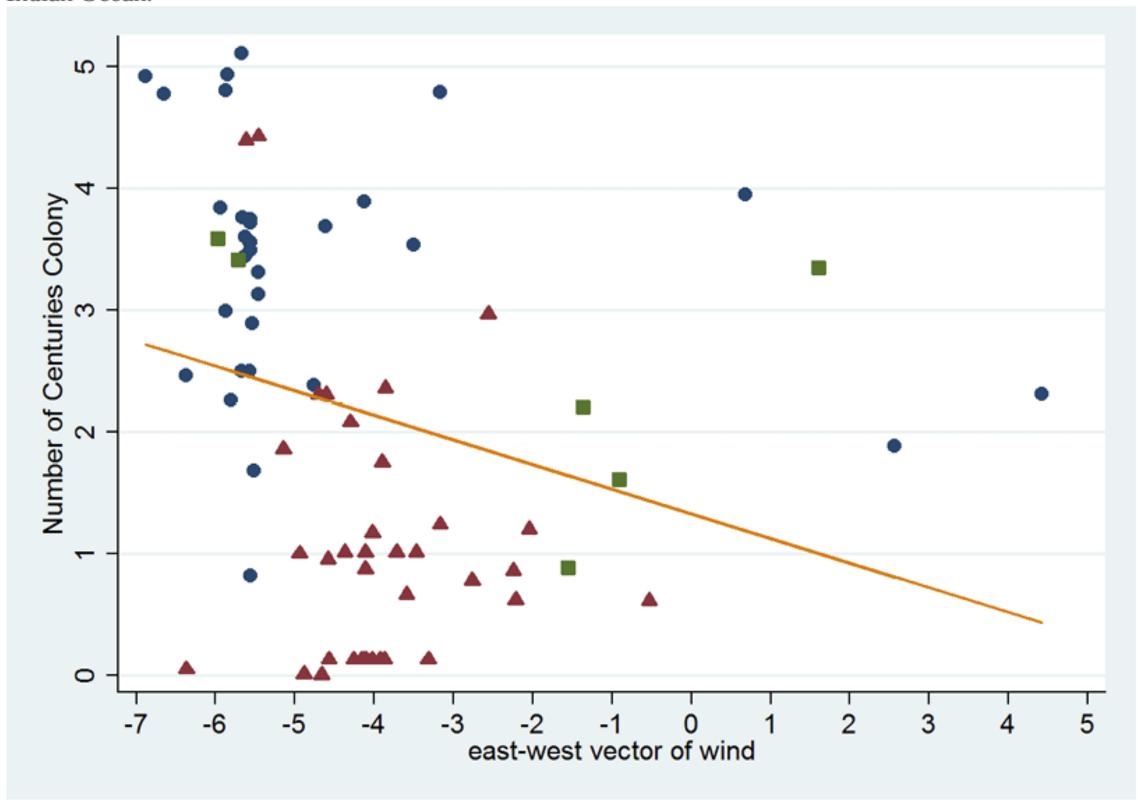


Feyrer and Sacerdote 2009 - 3

WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

Years of Colonialism Versus Easterly Vector of Wind

Circles represent islands in the Atlantic, triangles are islands in the Pacific and squares are islands in the Indian Ocean.



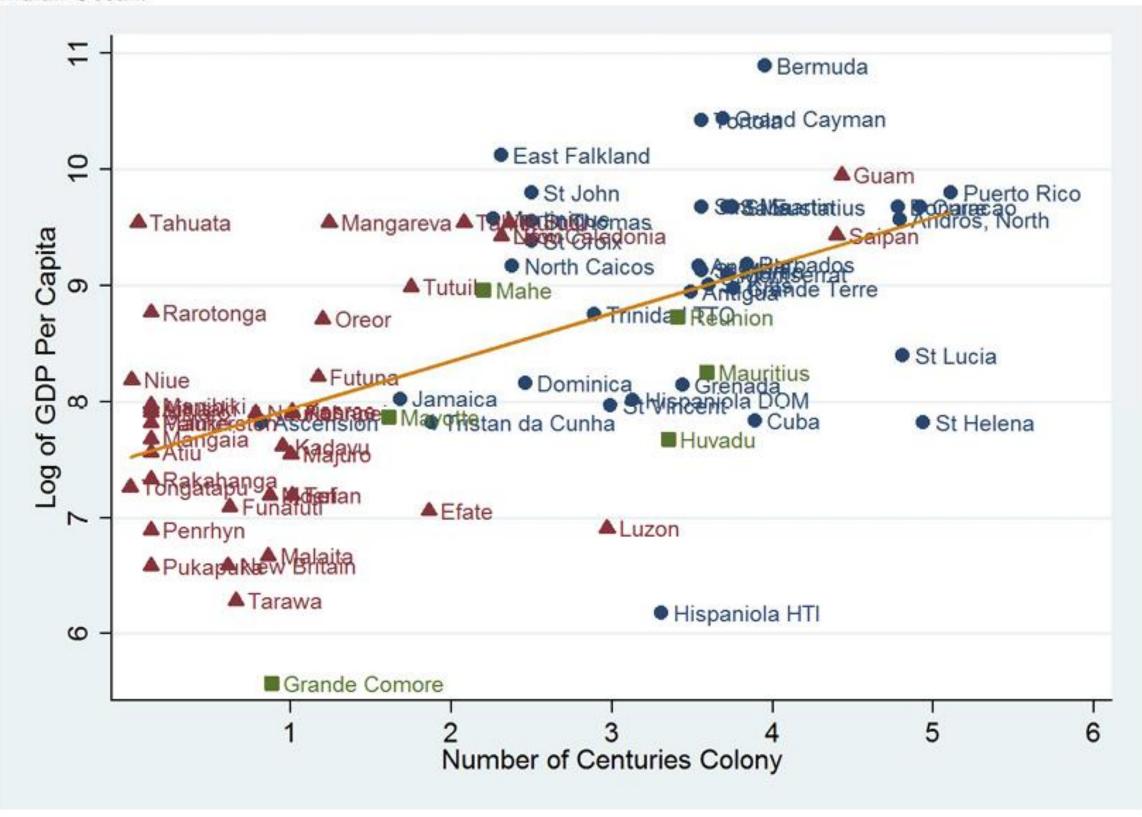


Feyrer and Sacerdote 2009 -4

WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

GDP Per Capita versus Years of Colonialism

Circles represent islands in the Atlantic, triangles are islands in the Pacific and squares are islands in the Indian Ocean.





Feyrer and Sacerdote 2009 – 5 results

WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

- A robust positive relationship (arguably causal) between the number of years spent as an European colony and current GDP per capita (conditional on being colonized).
- Years as a colony after 1700 are more beneficial than earlier years.
- Years under US, British, French and Dutch rule having more beneficial effects than Spanish or Portuguese rule.
- Main potential problem with this study?



Feyrer and Sacerdote 2009 – 6 WAS EUROPEAN COLONIZATION GOOD FOR DEVELOPMENT?

Table II
Outcomes Regressed on Years of Colonization

We regress Log GDP per capita and infant mortality on the number of years the island spent as a colony of a European power. Columns (1), (2), (4), (6) and (7) are OLS. Columns (3), (5) and (8) are two stage least squares where we instrument for centuries of colonial rule or the first year as a colony using the 12 month average and standard deviation of the east-west wind speed for each island.

average and standard deviation of the east-west wind speed for each island.								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Log GDP	Infant	Infant	Infant				
	Capita	Capita	Capita -	Capita	Capita-	Mortality	Mortality	Mortality
	•	•	ÎV	•	ÍV	Per 1000	Per 1000	Per 1000 -
								IV
Number of Centuries a Colony	0.413	0.450	0.441			-2.801	-2.611	-10.244
	(0.065)**	(0.083)**	(0.157)**			(1.156)*	(1.259)*	(4.344)*
First Year a Colony				-0.396	-0.545			
•				(0.101)**	(0.232)*			
Final Year A Colony				0.014	0.007			
-				(0.014)	(0.017)			
Remained A Colony in 2000				0.800	0.732			
•				(0.149)**	(0.206)**			
Abs(Latitude)		0.048	0.048	0.039	0.042		-0.763	-0.771
		(0.011)**	(0.011)**	(0.011)**	(0.013)**		(0.211)**	(0.221)**
Area in millions of sq km		-21.046	-20.984	-20.429	-23.791		263.524	321.185
-		(3.937)**	(3.961)**	(4.707)**	(6.169)**		(149.986) +	(143.722)*
Island is in Pacific		0.779	0.767	0.747	0.944		-7.427	-18.724
		(0.457)+	(0.522)	(0.470)	(0.569)		(9.498)	(13.608)
Island is in Atlantic		0.615	0.622	0.427	0.298		-7.349	-1.117
		(0.400)	(0.410)	(0.367)	(0.403)		(8.581)	(8.555)
Constant	7.524	6.172	6.192	13.673	16.356	24.771	41.579	60.751
	(0.166)**	(0.526)**	(0.659)**	(1.942)**	(4.173)**	(3.677)**	(10.898)**	(18.551)**
Observations	80	80	80	80	80	80	80	80
R-squared	0.320	0.578	0.578	0.642	0.630	0.080	0.353	0.082

Robust standard errors in parentheses. We cluster at the island group level since several of the islands (e.g. the Cook Islands and the Federated States of Micronesia) are used as separate observations from a cluster of politically related yet geographically distinct islands.



⁺ significant at 10%; * significant at 5%; ** significant at 1%

Jones and Olken (2005 – QJE) – 1 DO LEADERS MATTER?

- What is the effect of the death of a leader while in office on economic growth?
- The Great Man view (John Keegan) vs deterministic historical interpretations (Hegel, Marx, Tolstoi).

ABSTRACT

Economic growth within countries varies sharply across decades. This paper examines one explanation for these sustained shifts in growth—changes in the national leader. We use deaths of leaders while in office as a source of exogenous variation in leadership, and ask whether these randomly-timed leadership transitions are associated with shifts in country growth rates. We find robust evidence that leaders matter, particularly in autocratic settings. Moreover, the death of autocrats appears to lead towards improvements in growth. We investigate the mechanisms through which leaders affect growth and find that autocrats affect growth directly, through fiscal and monetary policy. Autocrats also influence political institutions that, in turn, appear to affect growth. In particular, we find that small movements toward democracy following the death of an autocrat appear to improve growth, while dramatic democratizations are associated with reductions in growth. The results suggest that individual leaders can play crucial roles in shaping the growth of nations.



Jones and Olken (2005 – QJE) – 2 DO LEADERS MATTER?

- Identification: Natural Experiment
- Focus attention on cases where the leader's rule ended at death due to either natural causes or an accident: 57 "random" leader transitions.
- Used all national leaders worldwide in the post World War II period, from 1945 to 2000, for whom growth data was available in the Penn World Tables.

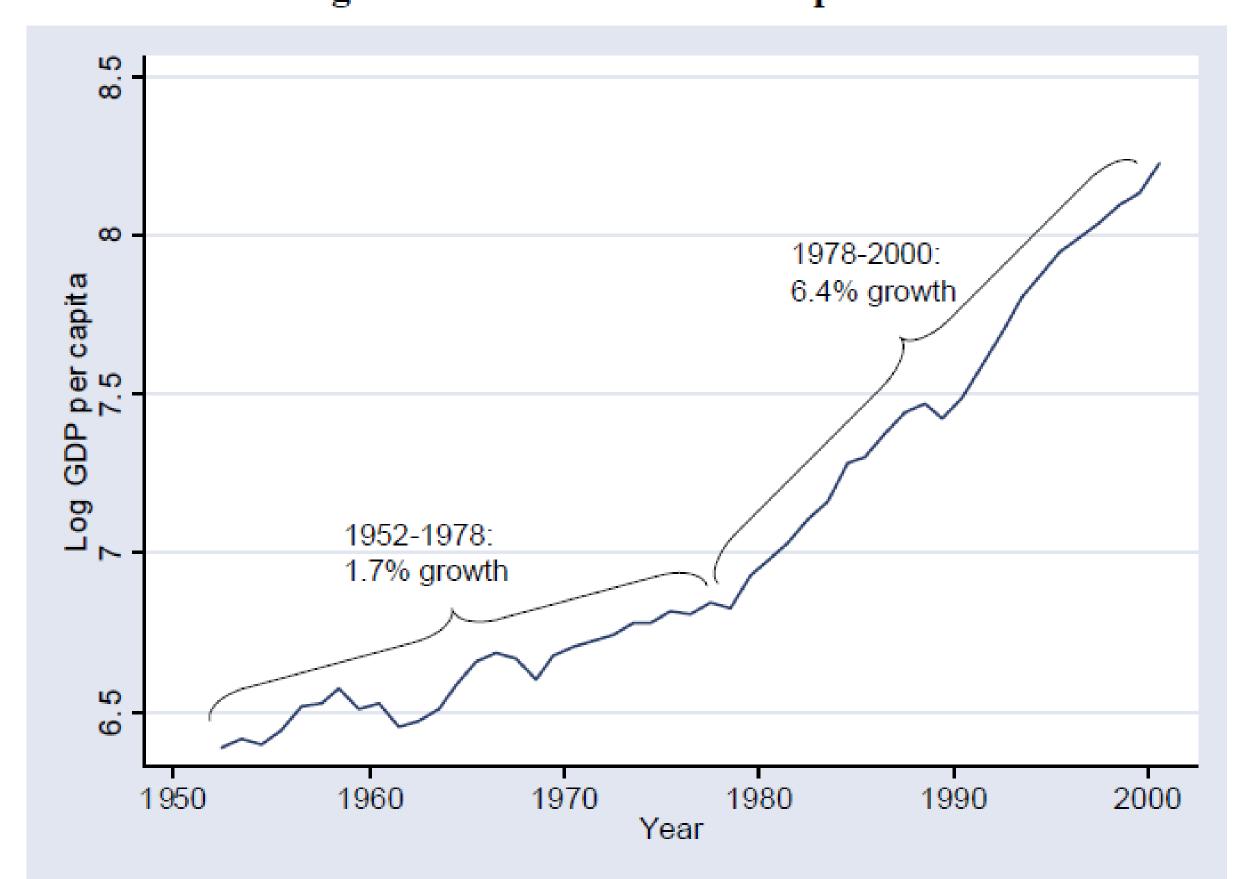


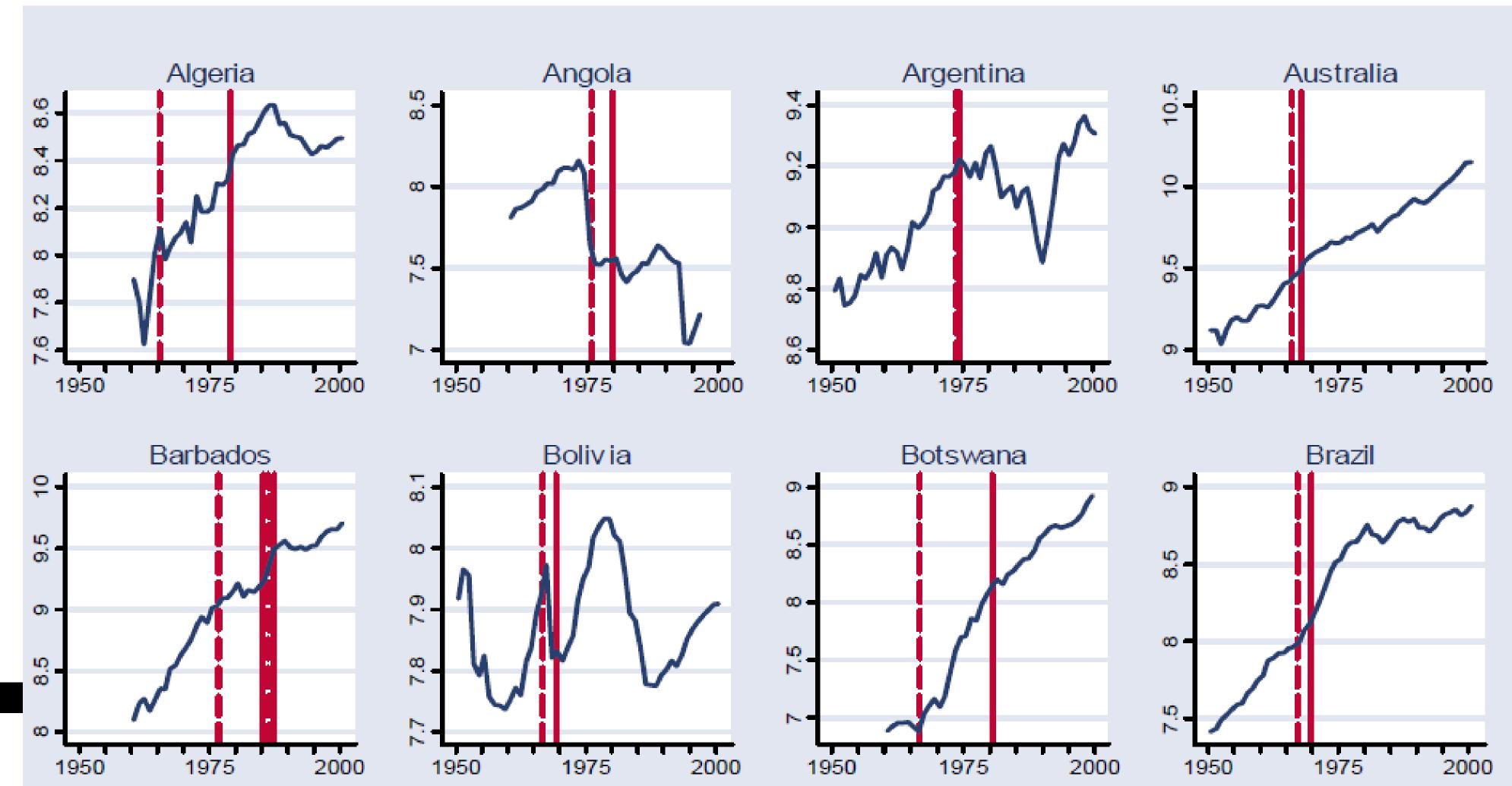
Figure 1: China's Growth Experience



Jones and Olken (2005 – QJE) – 3

DO LEADERS MATTER?

Figure 2: Growth and Random Leader Deaths





Jones and Olken (2005 – QJE) – 5 RESULTS

- Effects of individual leaders in autocratic settings where there are fewer constraints on a leader's power
- Robust evidence that leaders matter for growth: annual growth rates rising by as much as 3 percentage points following the deaths of highly autocratic leaders.
- Impact on GDP growth through:
 - Changes in monetary and fiscal policy.
 - Changes in institutions: increases in democracy.
 - Small increases in democracy and positive impact on growth.
 - Full transitions to democracy and negative impact on growth.

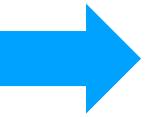
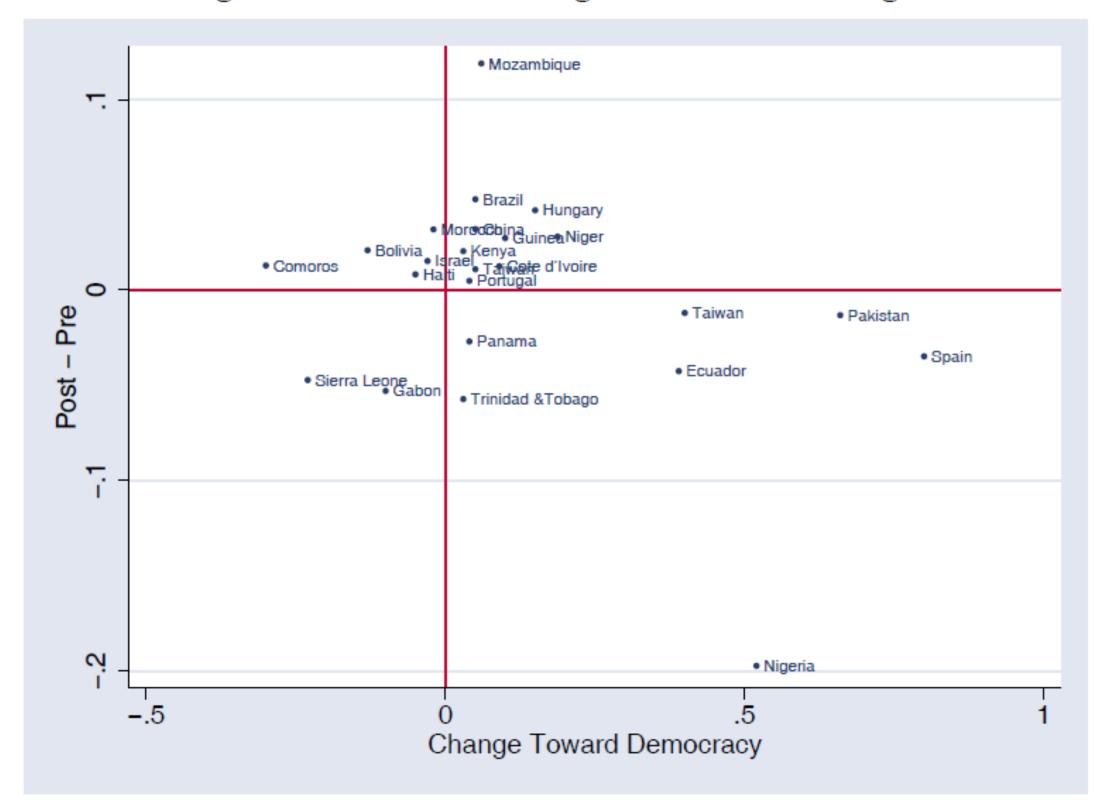


Figure 4: Institutional Changes after Leader Changes





Institutions – what have we learnt?

- Institutions are highly **persistent** over time and **important for economic development** North, property rights protection, Banerjee and Iyer and land tenure regimes in India.
- Slave trade and extractive institutions imposed by colonization harmful for development.
- Different "colonization", lengths, countries and period, result in different outcomes.
- Leaders are also important.



Topic 5.2: Democracy

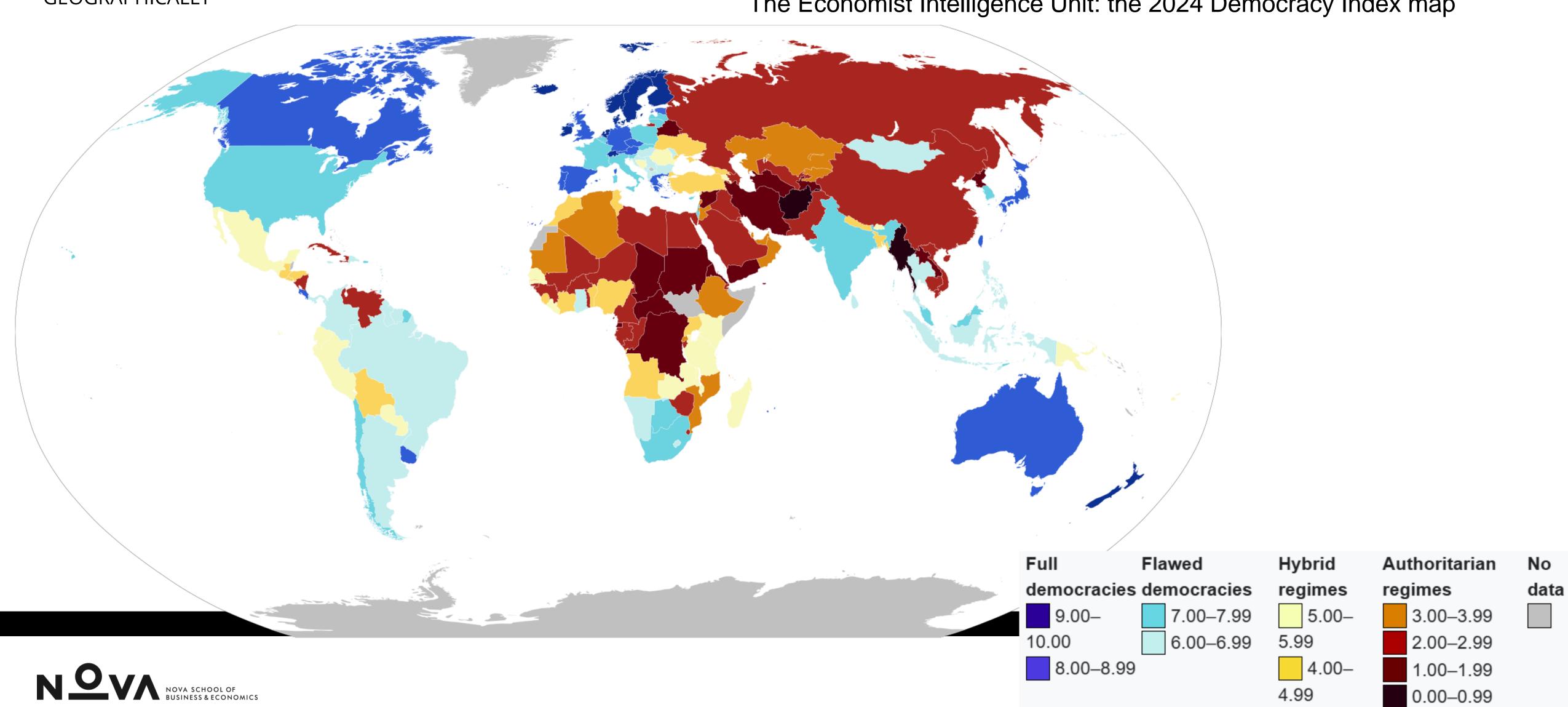


A Greek word: demos (the people) kratos (rule), i.e. The People Rule

A huge variability within the term

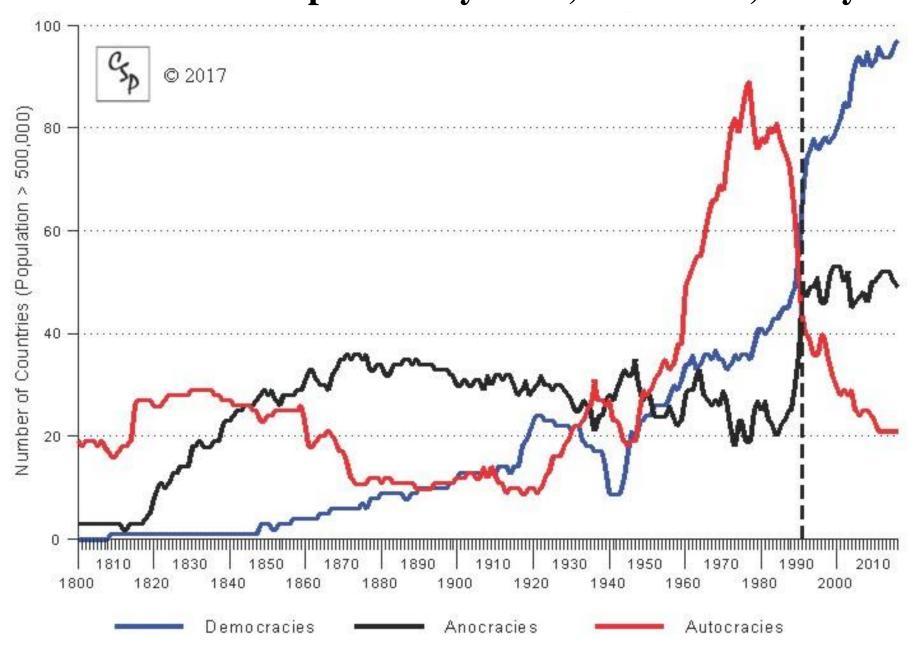
GEOGRAPHICALLY

The Economist Intelligence Unit: the 2024 Democracy Index map



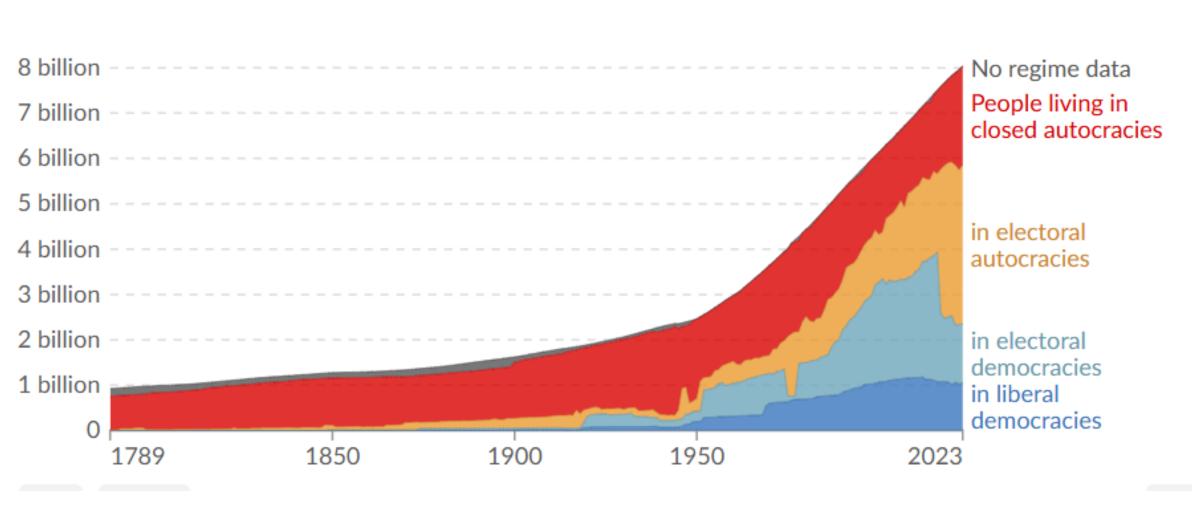
Evolution of political regimes over time

Global trends in political systems, 1800-2018, Polity IV



http://www.systemicpeace.org/polity/polity4x.htm

Population



https://ourworldindata.org/grapher/people-living-in-democracies-autocracies



Support for Democracy in Africa



African insights 2024: Democracy at risk – the people's perspective

- On average across 39 countries, **support for democracy remains robust**: Two-thirds (66%) of Africans say they prefer democracy to any other system of government. 59% to 52% in LA, very heterogeneous in Asia.
- But support for democracy has **declined** by 7 percentage points over the past decade, including by 29 points in South Africa and 23 points in Mali.
- **Opposition to military rule has weakened** by 11 points, most dramatically in Mali and Burkina Faso (by 40 and 36 points, respectively).
- More than half of Africans (53% across 39 countries) are willing to accept a military takeover if elected leaders "abuse power for their own ends."
- Growing majorities call for government accountability and the rule of law, and support for other democratic norms has held steady over the past decade, including presidential accountability to Parliament, multiparty competition, presidential term limits, and media freedom.
- But support for elections has dropped by 8 percentage points across 30 countries, though a large majority still consider it the best method for choosing their leaders.



Some theory: one voter





Multan con más de 1.000 euros a una estudiante por recorrer el centro de Santiago en un contenedor de basura





C) Lo más visto







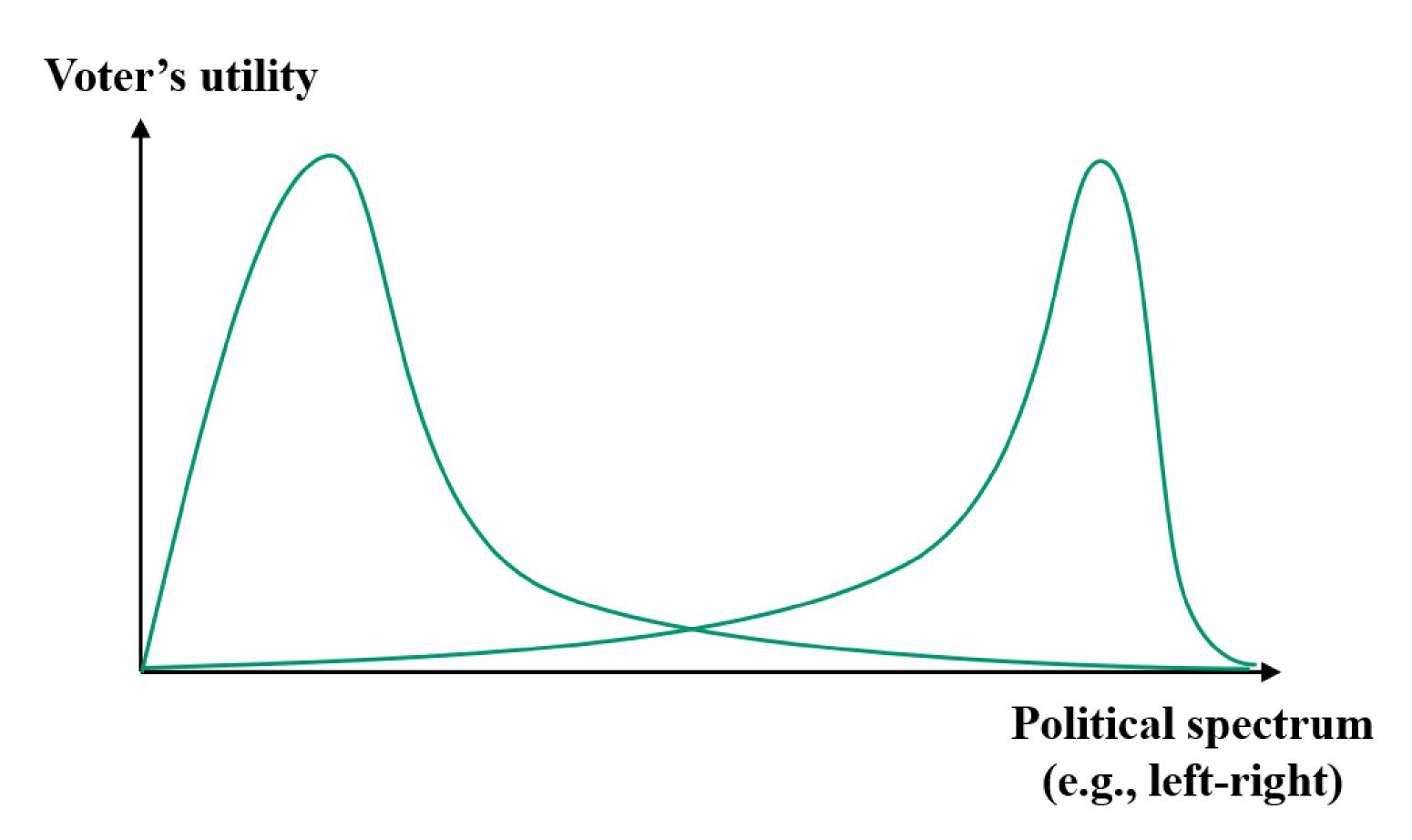
La Academia de Televisión organiza en Santiago de Compostela un encuentro sobre la ficción en la industria cultural

O MARTÍN CAMPO

Political spectrum (e.g., left-right)

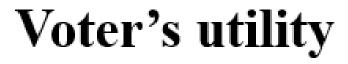


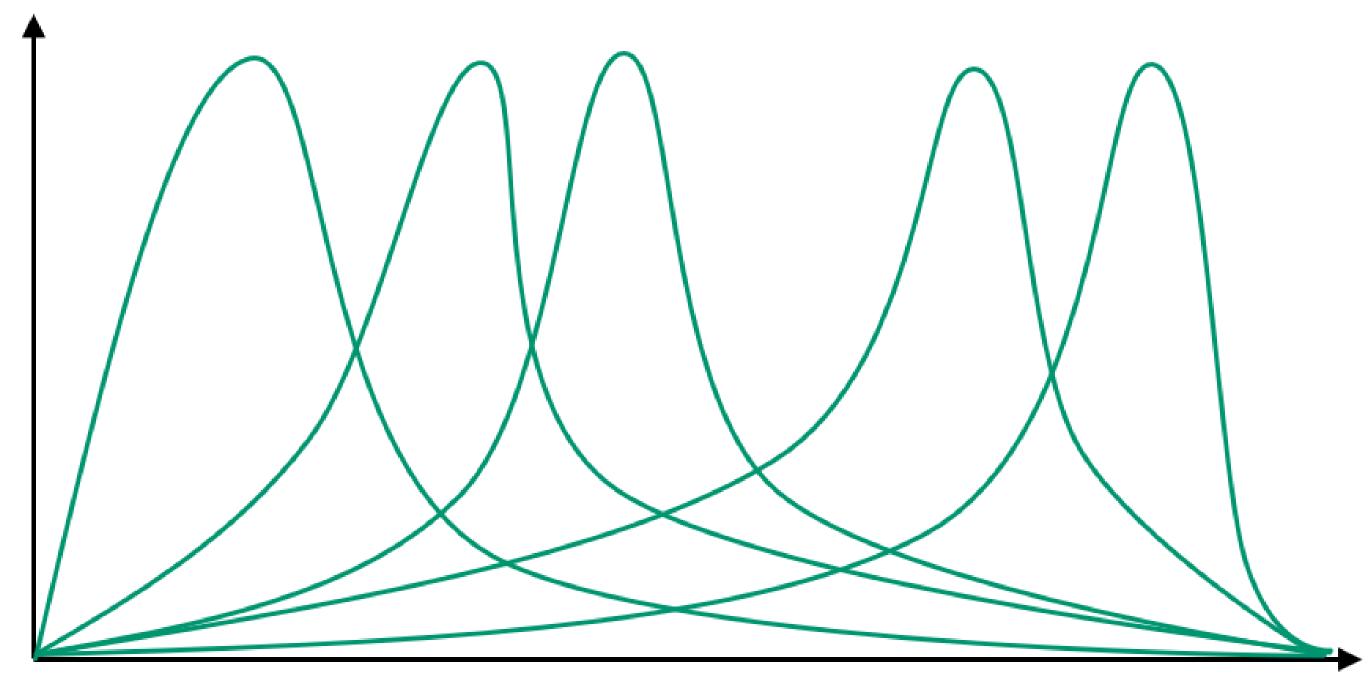
Some theory: two voters





Some theory: the people

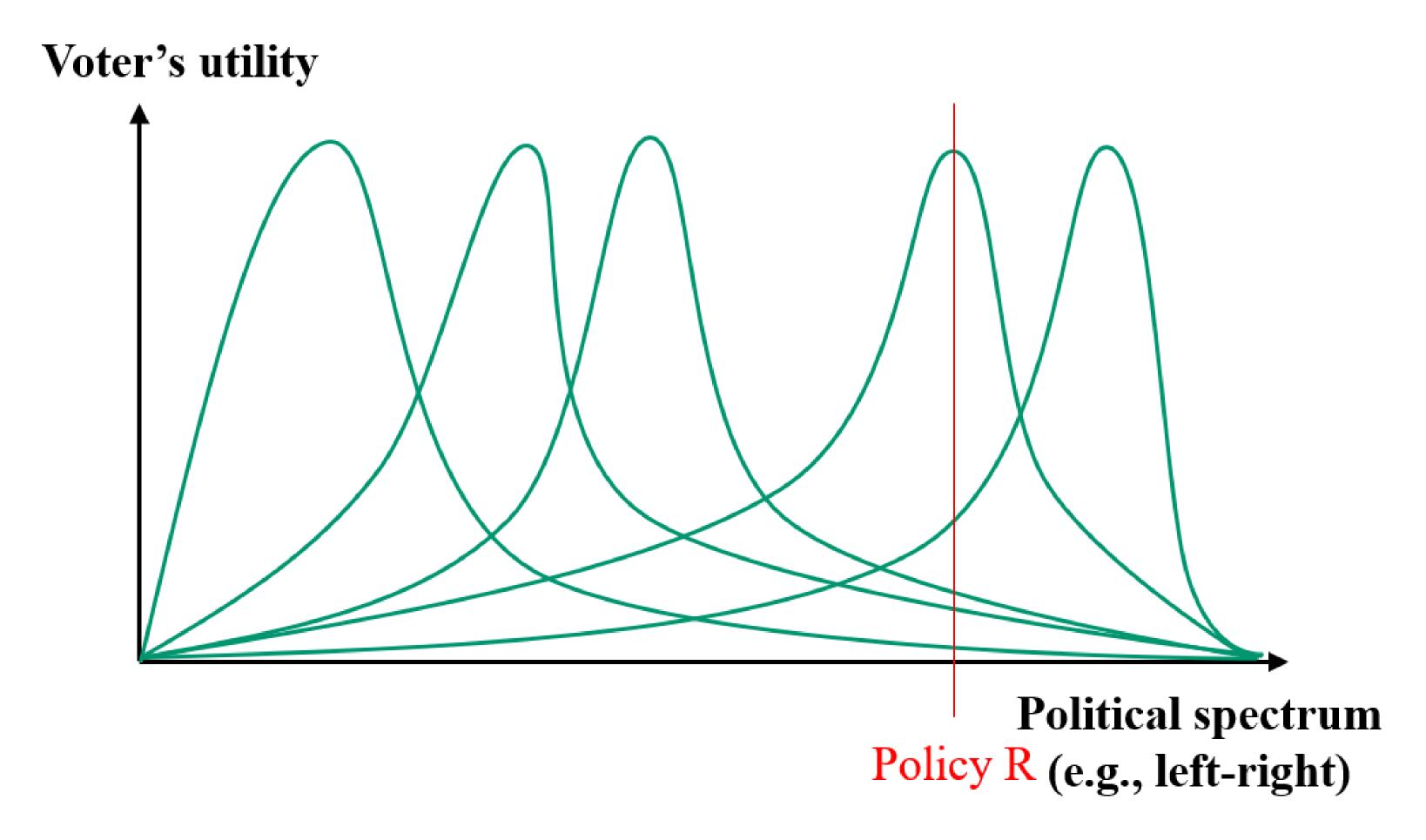




Political spectrum (e.g., left-right)

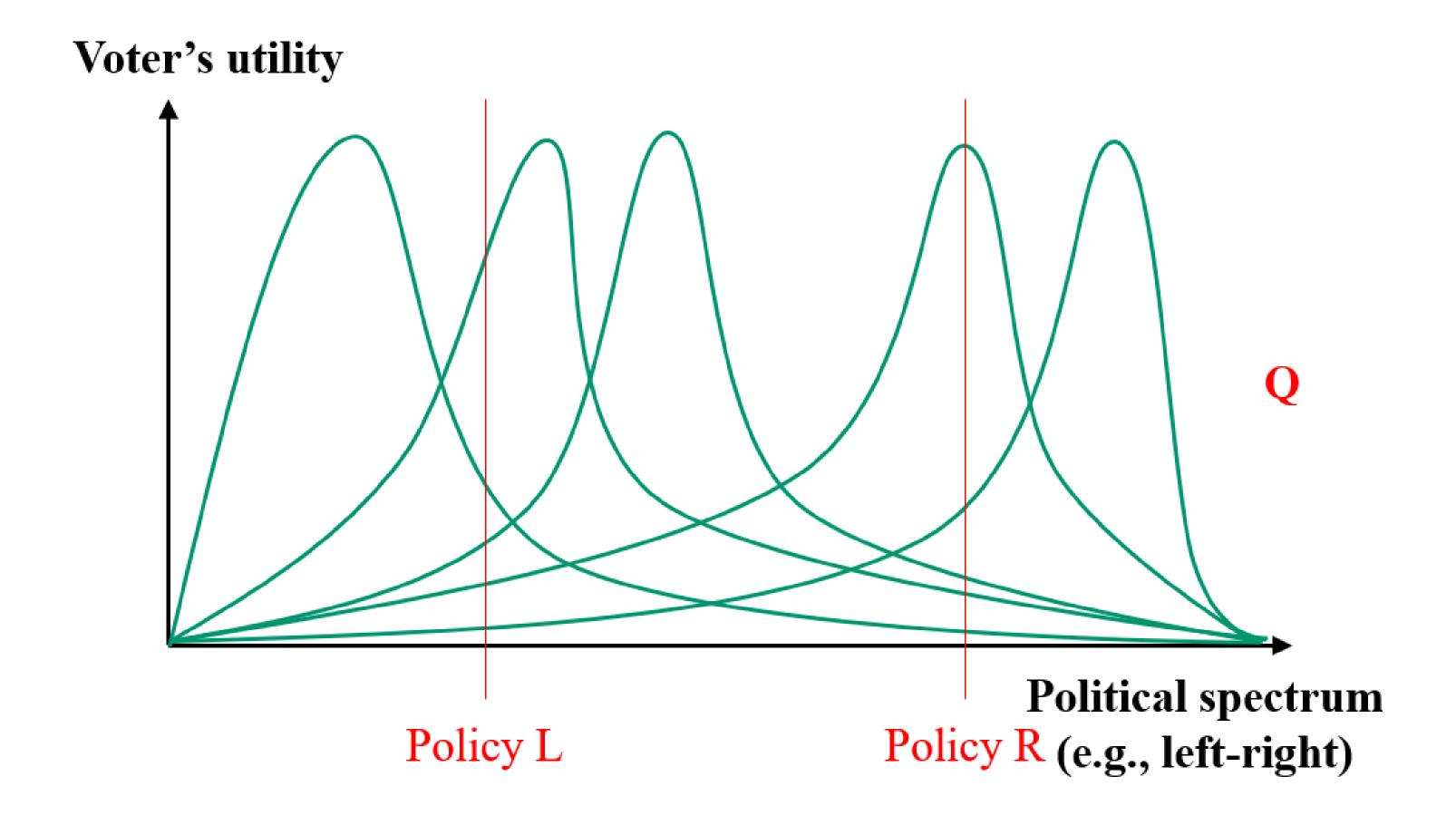


Some theory: a policy



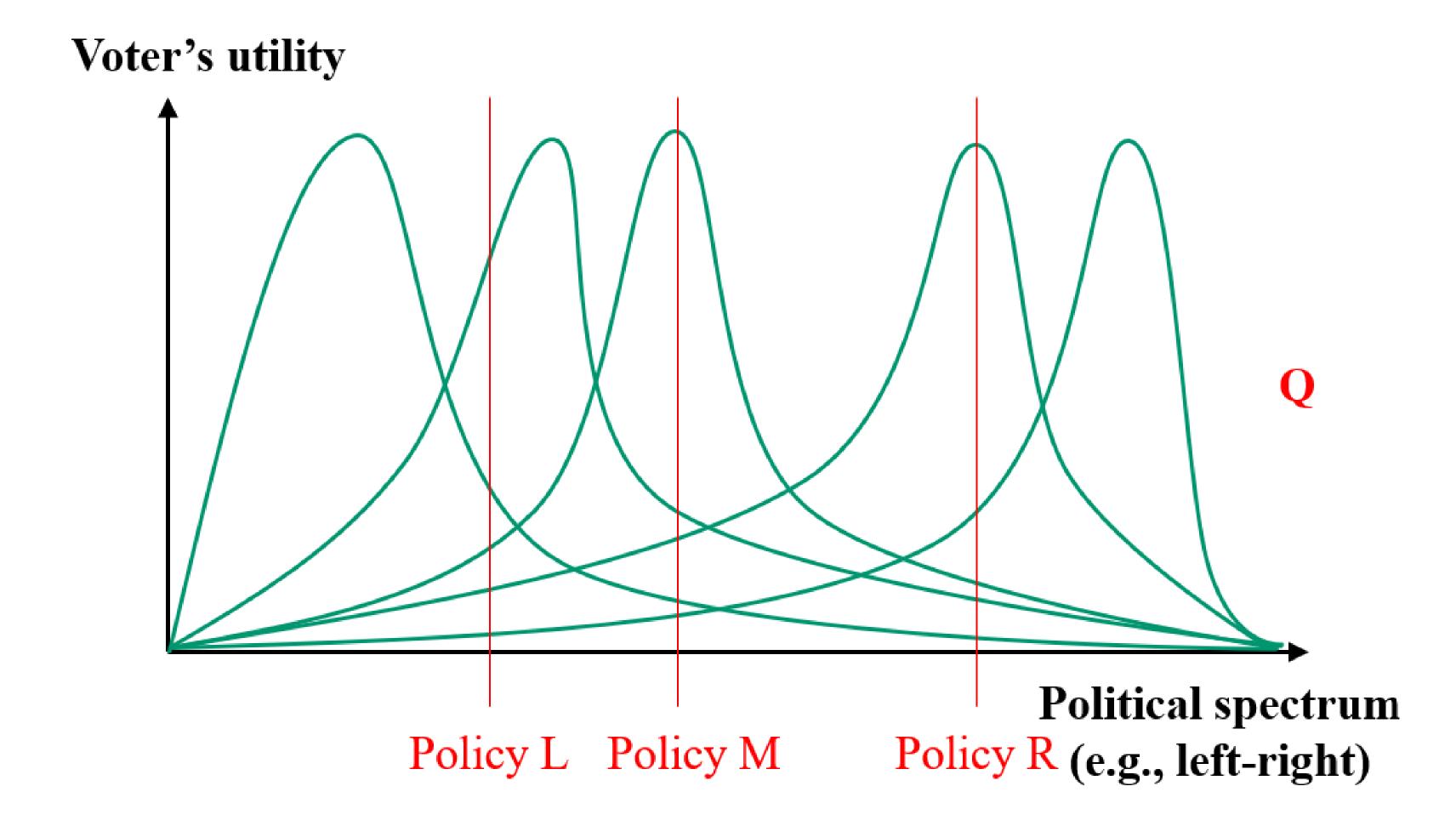


Some theory: an election – the rule of the people





Some theory: an election – a policy for the median voter





Some theory: the median voter theorem

- Suppose an odd number of voters with single-peaked preferences (decreasing utility as policy moves away from the peak): then the median voter's most preferred level of the policy always wins in direct democracy with an open agenda.
- Meaning: Democracy yields balanced policy outcomes (arguably pro-poor/growth-enhancing?)

Two big assumptions:

- 1. Elections express the will of the people. i.e., elections are well-run.
- 2. People vote for policies and politicians commit to implement those policies. i.e., there is policy accountability.

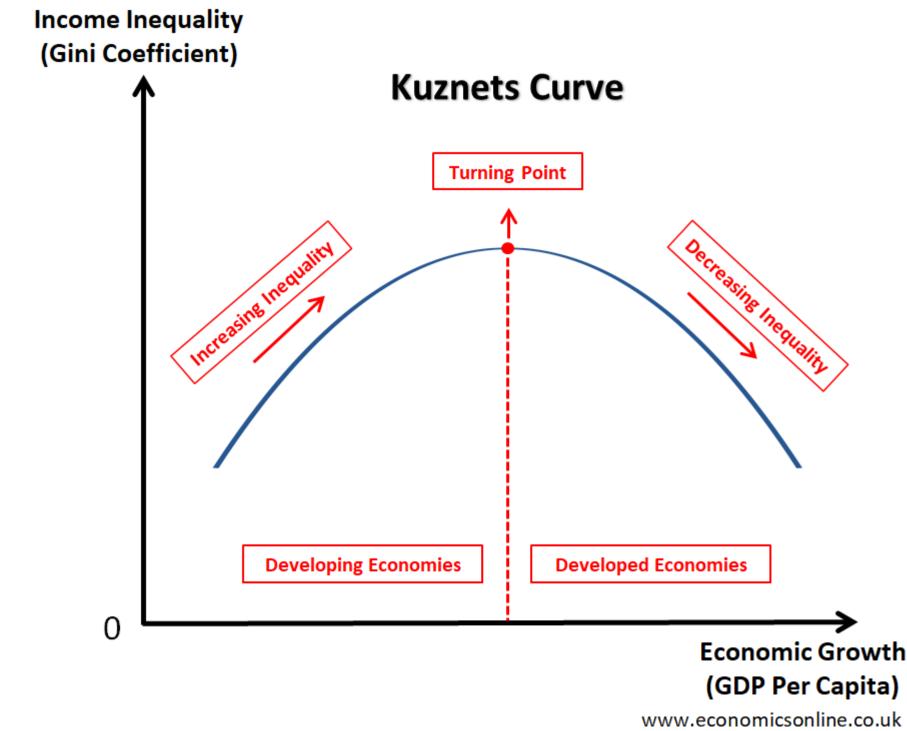
Implicit: pluralism – there are political options willing to implement those policies. Good information and competition.

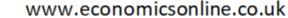


Why did the West Extend the Franchise? Democracy, Inequality and Growth in Historical Perspective – Acemoglu and Robinson 2000

Abstract

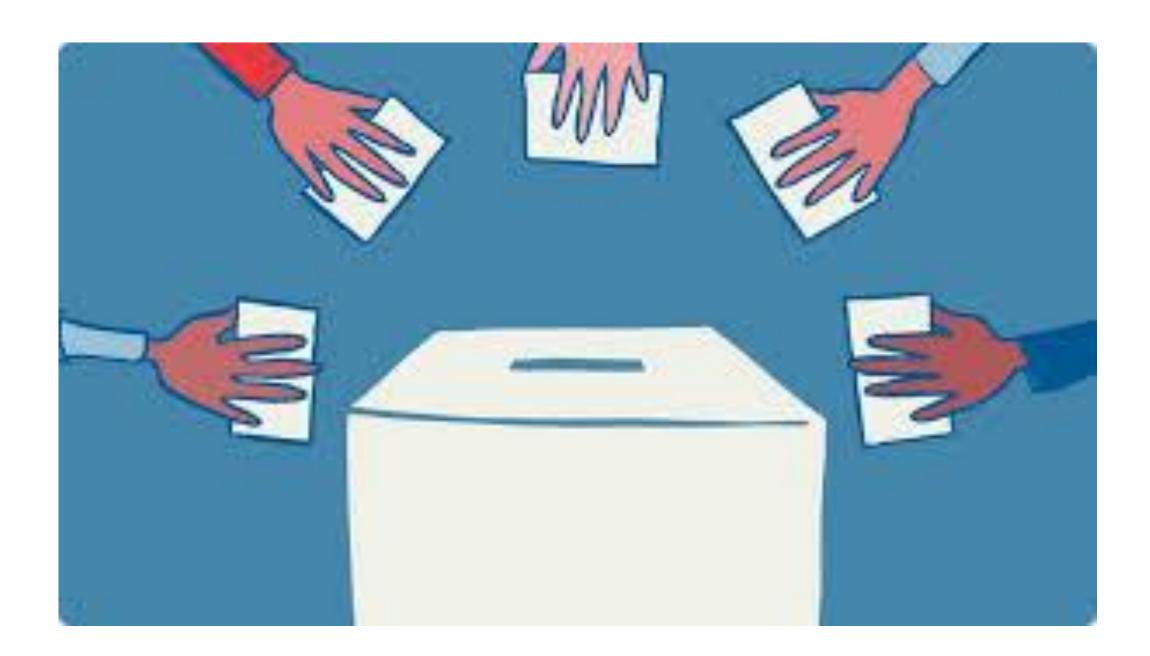
During the nineteenth century, most Western societies extended the franchise, a decision which led to unprecedented redistributive programs. We argue that these political reforms can be viewed as strategic decisions by political elites to prevent widespread social unrest and revolution. Political transition, rather than redistribution under existing political institutions, occurs because current transfers do not ensure future transfers, while the extension of the franchise changes the future political equilibrium and acts as a commitment to future redistribution. Our theory offers a novel explanation for the Kuznets curve, whereby the fall in inequality follows redistribution due to democratization. We characterize the conditions under which an economy experiences the development path associated with the Kuznets curve, as opposed to two non-democratic paths; an "autocratic disaster", with high inequality and low output; and an "East Asian Miracle", with low inequality and high output.







Topic 5.2.1: Elections

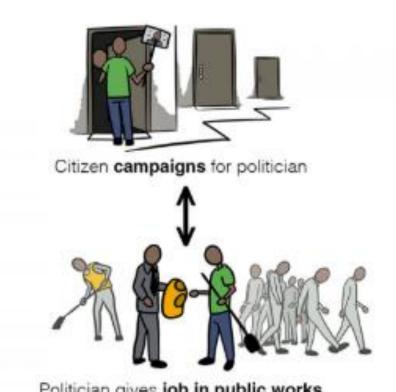


Elections: not well-run in many contexts

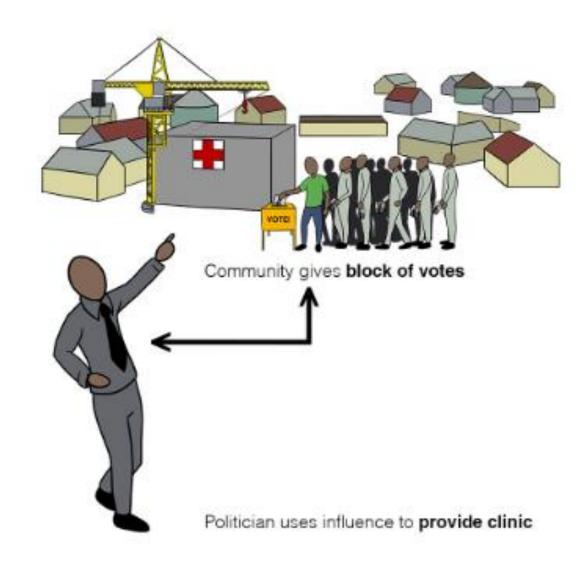
'In many of the newly democratic, low-income countries, the only aspect of democracy that has been introduced is elections. There are neither checks and balances upon the use of power nor effective regulations to conduct the election itself" Vicente and Collier (2014).

Typical electoral problems:

- 1. Clientelism Wantchekon 2003, Benin:
- Clientelism works! Less for women and cosmopolitan districts and those more informed.
- 2. Vote-buying;
- 3. Violence/Intimidation;
- 4. Ballot fraud.



Only few jobs available and lots of people would like to have them





Vote buying

Vote-buying makes little sense under secret voting; two questions:

- 1. Does it really change voter behavior?
- 2. If yes, how does it happen? Possible explanations:
 - Turnout buying,
 - Mechanical enforcement (photos, paper substitution),
 - Reciprocity.



Vote buying: Vicente (2013 – EJ) – 1

Vicente (2014) run an RCT in Sao Tome and Principe based on:

A voter **education campaign against vote buying**, including door-to-door leaflet distribution and discussion. 40 enumeration areas, randomly. 1034 respondents to interview.

It included a legalistic component (vote-buying is illegal) and a pragmatic component (accept the money but vote according to your conscience).

Measurement at the household level for perceptions of vote buying and voting behavior, as well as at the location level (actual electoral results) for voting behavior.



Vote buying: Vicente (2013) - 2







Vote buying: Vicente (2013) - 3

Figure 4: Timeline of the experiment in 2006

Anti- Vote-Pre-Parliamentary Presidential Post-Election buying Election Election Election Survey Campaign Survey **Timeline** March July 30 July August



Vote buying: Vicente (2013) - 4

Main results are:

The campaign decreased the perceived influence of cash offers on voting (more voting in conscience).

Small effect on vote-buying frequency.

Voter turnout decreased.

The score of the challenger decreased and the score of the incumbent increased.

Main implications: despite likely substitution between vote-buying and public-good provision, vote-buying increases participation and competition!



Electoral Violence

- For low levels of development democracy considerably increases proneness to civil confict (Collier and Rohner 2008): political intimidation and violence during times of election.
- Studying electoral violence and ways to counter it => improving electoral conduct and increasing political accountability.



Table 1: Top 10 Most Violent Elections, 1990-2010²

COUNTRY	ELECTION DATE	DEATHS		
Kenya	December, 2007	1502		
South Africa	April, 1994	239		
Nigeria	April, 2007	226		
Cote d'Ivoire	October, 2000	178		
Kenya	December, 1992	156		
Zimbabwe	March, 2008	114		
Togo	April, 2005	110		
Nigeria	April, 2003	57		
DRC	October, 2006	42		
Sierra Leone	February, 1996	28		

Source: SCAD



An RCT in Nigeria, 2007 elections (300 people killed in 2 days) based on:

A campaign against political violence by NGO ActionAid International Nigeria, empowering citizens.

Research questions:

Can an NGO-conducted campaign against electoral violence help in undermining this phenomenon? By giving a sense of security? By increasing voter turnout?

Does it lead to a decrease in violence?

Who are the candidates that are perceived as violent?

VOTES AND VIOLENCE: EVIDENCE FROM A FIELD EXPERIMENT IN NIGERIA*

Paul Collier and Pedro C. Vicente

Elections are now common in low-income societies. However, they are frequently flawed. We investigate a Nigerian election marred by violence. We designed and conducted a nationwide field experiment based on anti-violence campaigning. The campaign appealed to collective action through electoral participation, and worked through town meetings, popular theatres and door-to-door distribution of materials. We find that the campaign decreased violence perceptions and increased empowerment to counteract violence. We observe a rise in voter turnout and infer that the intimidation was dissociated from incumbents. These effects are accompanied by a reduction in the intensity of actual violence, as measured by journalists.



Main message, crucially uniform countrywide:

'NO TO ELECTION VIOLENCE', 'Vote Against Violent Politicians'.

- Appealed to vote against "violent politicians".

Means:

Distribution of materials targeted primarily at surveyed households:

T-shirts, Caps, Hijabs;

Posters, Stickers, Leaflets.

Road shows (using jingles in Yoruba, Hausa, Pidgin English).

At least one Community Meeting at each location.

At least one Popular Theatre representation at each location (same script used in all).

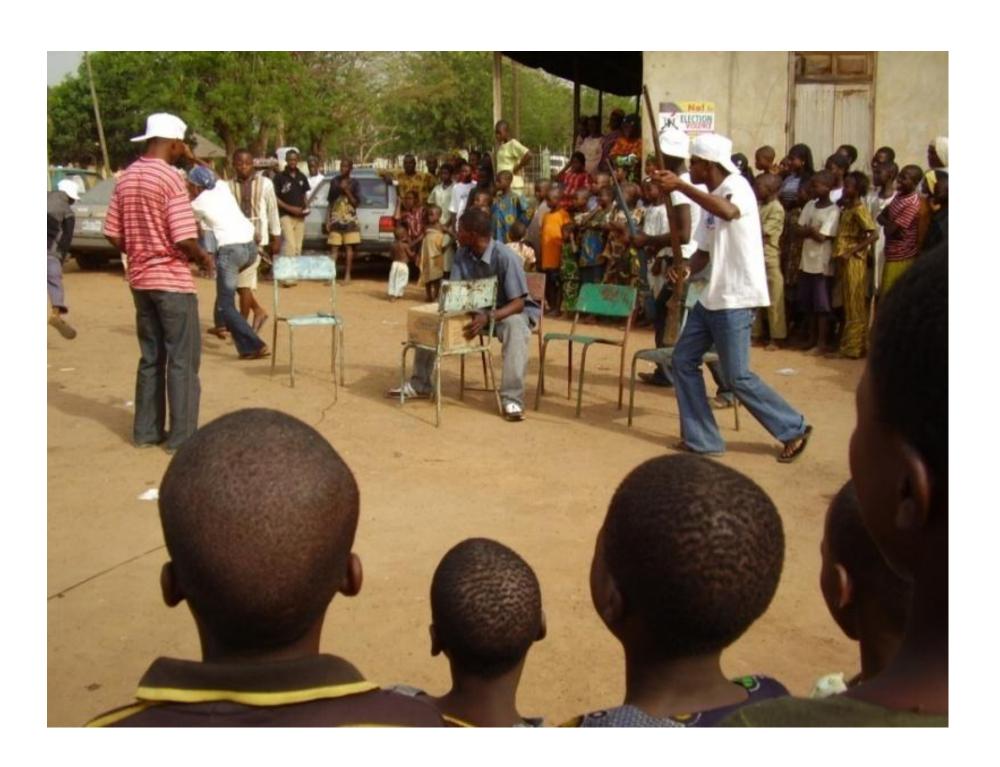




TOWN MEETINGS AND POPULAR THEATRES









DISTRIBUTION OF MATERIALS AND ROADSHOWS









ELECTORAL VIOLENCE CAN BE COUNTERACTED

Main findings:

Perceived security increased (measured through survey questions); empowerment against electoral violence also increased (measured through survey questions and a behavioral activity).

Voter turnout increased (by 11 pp).

Voting for the incumbent increased; suggestive that smaller groups are related to the violence.

Actual violence decreased (by 47%), as reported by local journalists => the campaign was able to influence the behavior of violent politicians.



ELECTORAL VIOLENCE CAN BE COUNTERACTED

Table 3

Regressions of Individual Violence-related Survey Measures

Dependent variable:	Political freedom and conflict – general		Local electoral violence – from the top		Local empowerment – from the bottom		Crime – perceptions and experience	
Treatment effect								
Coefficient	0.366***	0.386***	0.236**	0.233**	0.221**	0.221**	-0.034	-0.037
Standard error	(0.133)	(0.123)	(0.099)	(0.102)	(0.104)	(0.106)	(0.114)	(0.117)
p-value wild bootstrap	0.024**	0.068*	0.026**	0.028**	0.042**	0.046**	0.766	0.746
p-value randomisation inference	0.050*	0.052*	0.001 ***	0.002***	0.012**	0.013**	1.000	0.983
Number of observations	1.148	1.130	2,339	2,303	2,296	2,260	2,349	2,312
Mean dependent variable (control)	-0.000	0.001	-0.000	-0.005	-0.000	-0.012	0.000	-0.008
State dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Controls	No	Yes	No	Yes	No	Yes	No	Yes

Notes. *Significant at 10%. **Significant at 5%. ***Significant at 1%. All regressions are OLS. All dependent variables are indices of z-scores. They are scaled from high violence (low empowerment) to low violence (high empowerment). All regressions include baseline observations (difference-in-difference specifications), except for political freedom and conflict – general, and include state dummies. Controls are location controls on the existence of basic public services, and individual demographic characteristics (see Table 2, panel (a)). Standard errors reported; these are corrected by clustering at the location (census area) level. Wild bootstrap method follows Cameron et al. (2008), with null hypothesis imposed, weights –1 and 1 and 1,000 replications. Randomisation inference uses all 4,096 placebo treatment vectors.



ELECTORAL VIOLENCE CAN BE COUNTERACTED

Table 5
Regressions of Voting Behaviour

Dependent variable:	Tur	mout			Vo	oting		
	Presidential		PDP presidential		AC presidential		ANPP presidential	
	0.060*	0.073**	0.093*	0.083***	-0.054*	-0.074***	0.018	0.061**
Coefficient Standard error			A 10 10 10 10 10 10 10 10 10 10 10 10 10			1772 2 12 20000		
Standard error	(0.037)	(0.031)	(0.048)	(0.032)	(0.029)	(0.021)	(0.038) 0.702	(0.028)
p-value wild bootstrap p-value randomisation inference	0.158	0.152	0.114	0.023**	0.166 0.116	0.108	0.702	0.059*
Number of observations	1,143	1,126	1,143	1,126	1,143	1,126	1,143	1,126
Mean dependent variable (control)	0.651	0.657	0.337	0.343	0.190	0.189	0.109	0.110
Dependent variable:	Gubernatorial		Incumbent gubernatorial		Second party gubernatorial		Third party gubernatorial	
Treatment effect	14970147.5	20226333334	2022/00/07	692460WW	000000000	53353337	SCHOOL	tessay.
Coefficient	0.100**	0.111***	0.103**	0.128***	-0.031	0.034	0.033	0.004
Standard error	(0.040)	(0.036)	(0.052)	(0.042)	(0.028)	(0.023)	(0.034)	(0.035)
p-value wild bootstrap	0.038**	0.060*	0.084*	0.084*	0.320	0.370	0.382	0.998
p-value randomisation inference	0.066*	0.008***	0.146	0.054*	0.254	0.119	0.441	0.938
Number of observations	1,143	1,125	1,143	1,125	1,143	1,125	1,143	1,125
Mean dependent variable (control)	0.688	0.696	0.455	0.458	0.122	0.124	0.075	0.076
Controls	No	Yes	No	Yes	No	Yes	No	Yes



Notes. *Significant at 10%. **Significant at 5%. ***Significant at 1%. All regressions are OLS. All dependent variables are binary. All regressions are based on post-election observations (single-difference specifications), and include state dummies. Controls are location controls on the existence of basic public services, and individual demographic characteristics (see Table 2, panel (a)). Standard errors reported; these are corrected by clustering at the location (census area) level. Wild bootstrap method follows Cameron et al. (2008), with null hypothesis imposed, weights -1 and 1 and 1,000 replications. Randomisation inference uses all 4,096 placebo treatment vectors.

Ballot fraud

- Electoral observers have been tasked with preventing ballot fraud; note recent innovations such as parallel vote tabulations.
- Some quasi-experimental studies and RCTs have found that incumbents (most likely to commit fraud) are harmed by the presence of observers (e.g., Hyde, 2007).
- These effects are typically granted through a decrease in voter turnout, which is indicative of a reduction in ballot stuffing.
- Some studies document relocation of ballot fraud to neighboring locations (Ichino and Schundeln, 2012).
- When comparing domestic and international observers, the former seem to be more effective, possibly due to geographical selection (electoral tourism effect; Leeffers and Vicente, 2019).



Ballot fraud: Aker, Collier and Vicente (2017 –ReStat) – 1

IS INFORMATION POWER? USING MOBILE PHONES AND FREE NEWSPAPERS DURING AN ELECTION INMOZAMBIQUE

- Field experiment around the 2009 election in Mozambique, including 160 locations in four provinces, testing impacts of three:
- An SMS hotline for reporting and disseminating electoral problems to be shared by the media and other individuals. http://www.verdade.co.mz/eleicoes2009/
- Civic education treatment: Information SMS about the election.
- Distribution of a free newspaper (previously distributed only in the capital), which included a hotline.

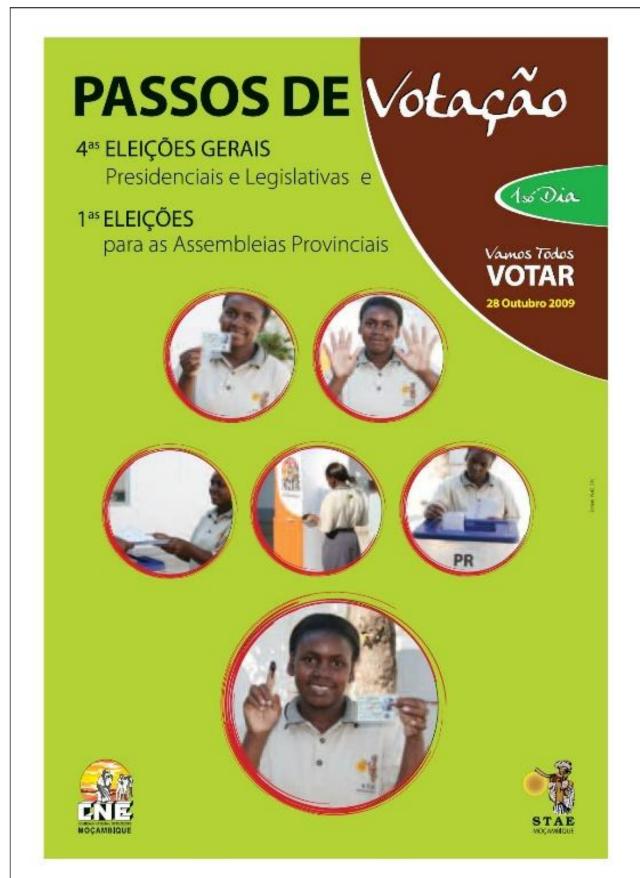
https://www.youtube.com/watch?v=UyMozYTg3tc



Ballot fraud: Aker, Collier and Vicente (2017 –ReStat) – 2

INTERVENTION MATERIALS AND FIELDWORK









Ballot fraud: Aker, Collier and Vicente (2017 –ReStat) – 2

- All interventions increased electoral participation, with different perceptions about the quality of the electoral procedure.
- Only the newspaper increased accountability (behavioral measure sending open letter –sms- to newly elected official proposing policy priorities) and decreased electoral problems measures at polling stations, 4 sources of data.



Topic 5.2.2: Accountability



Policy Accountability: the really big challenge. Ferraz and Finan (2008, 2011)

Interestingly, we do not have so much convincing (causal) evidence of the full cycle of policy accountability through elections, which is fundamental to our understanding of democracy.

Ferraz and Finan (2008, 2011) study the case of Brazil, where government audits allowed measuring corruption at the municipality level.

First paper analyzes the effect of publicly releasing information about corruption before/after the 2004 elections on electoral outcomes.

Main result is that the release of the audit outcomes had a significant impact on incumbents' electoral performance, and that these effects were more pronounced where local radio was present.



Policy Accountability: the really big challenge. Ferraz and Finan (2008) - 1

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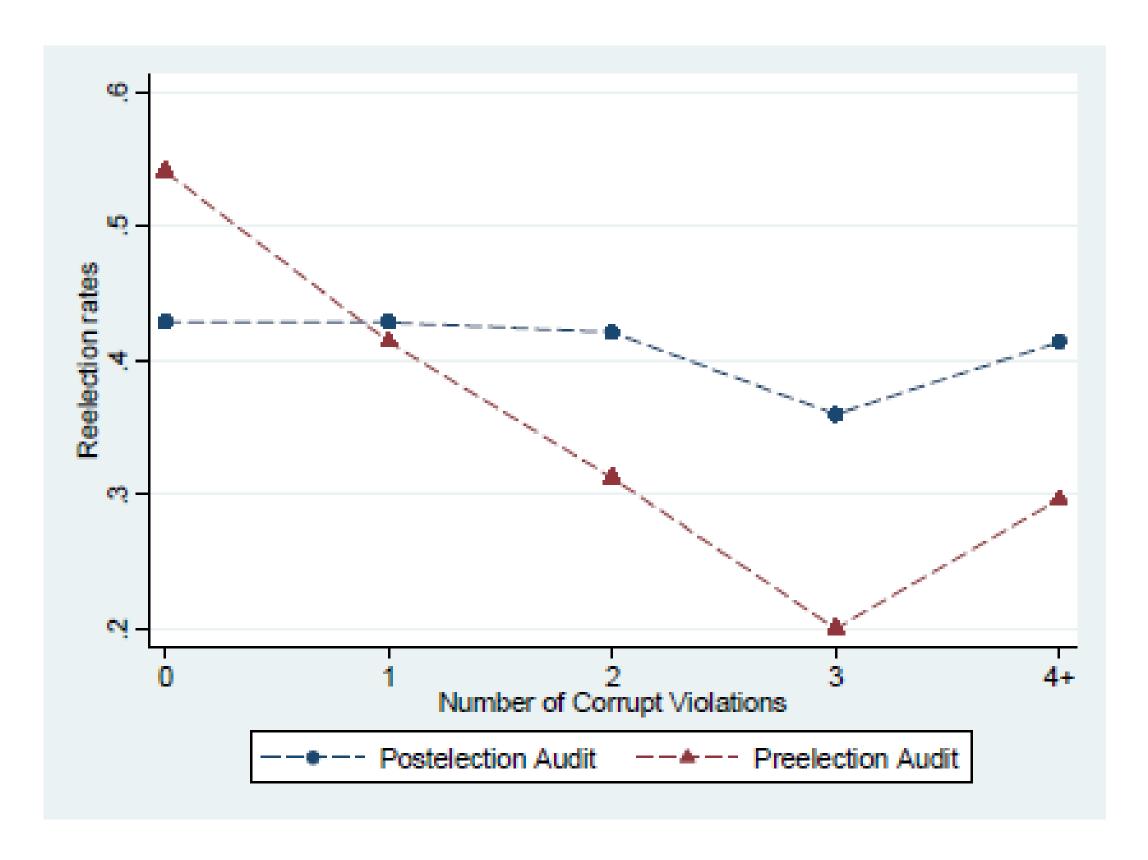


Figure 3: Relationship between re-election rates and corruption levels for municipalities audited before and after the elections



Policy Accountability: the really big challenge. Ferraz and Finan (2008) - 1

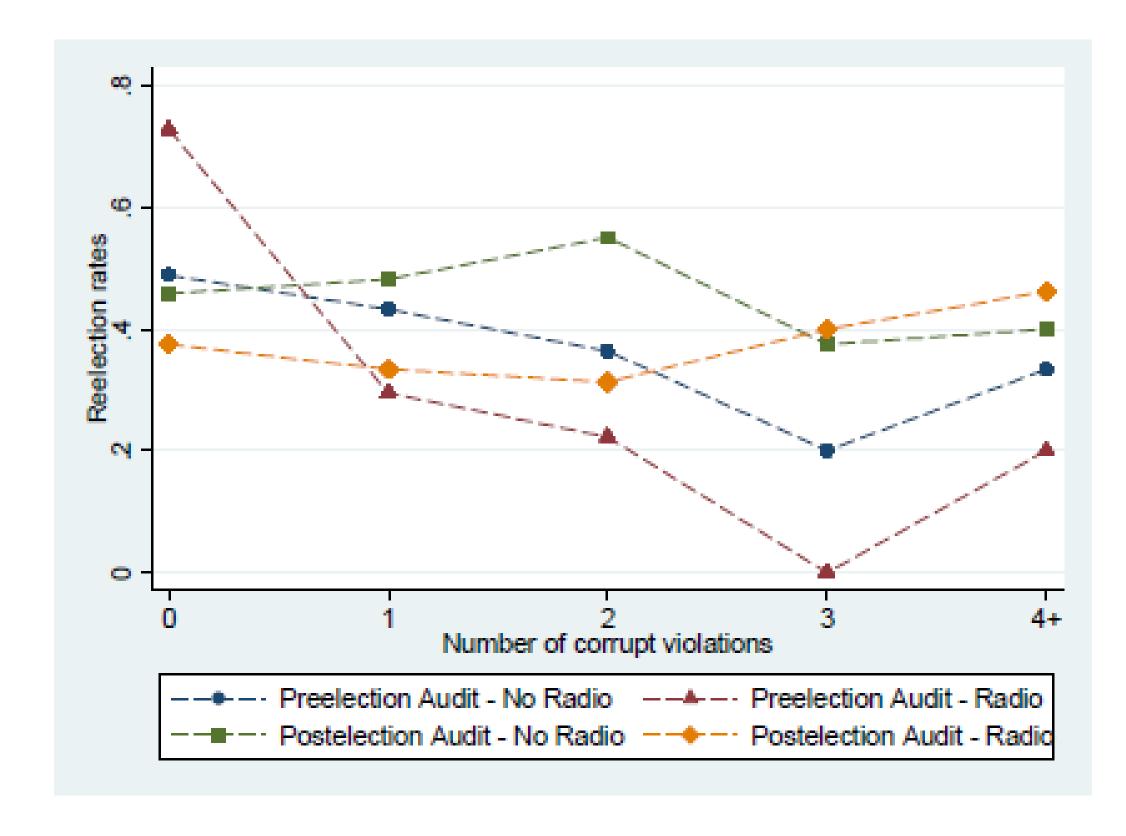


Figure 4: Relationship between re-election rates and corruption levels for municipalities audited before and after the elections and the existence of local radio



Ferraz and Finan (2011) - 1

The second paper (Ferraz and Finan, 2011) tests whether electoral accountability affects the corruption practices of incumbent politicians.

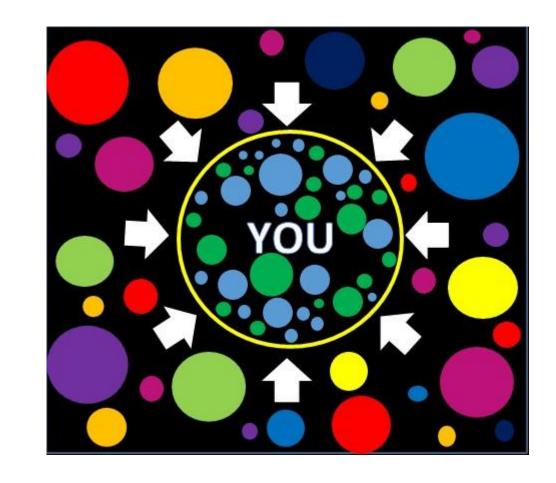
The study finds significantly less corruption in municipalities where mayors can get re-elected; mayors with re-election incentives misappropriate 27 percent fewer resources than mayors without re-election incentives.

These effects are more pronounced among municipalities where the likelihood of judicial punishment is lower.



Social media, eco chamber and political accountability

- Social psychology, tribalism in politics: framing, endorsement, in-group vs. outgroup and political opinions.
- Levy 2021 (AER): random exposure to counter-attitudinal news decrease negative attitudes toward the opposing political party no evidence on political opinion. Algorithms may limit exposure to counter-attitudinal news and increase polarization.
- Cinelli et al 2021 (PNAS): technology/platform matters. 100 million pieces of content across Gab, Facebook, Reddit and Twitter. Homophilic clusters dominate on Facebook and Twitter, over Reddit.







Thanks for your attention and contributions!

