

**Ms. Golden**  
**Bunche 3262**  
**Tel: 310-206-8166**  
**Office hours: Th 9:00-11:00**

**PS259-3**  
**Spring 2011**  
**Wed. 12-2:50**

### **Distributive Politics**

<http://www.sscnet.ucla.edu/11S/polisci259-3/>

In this course, we study distributive politics, or the allocation of government goods and services to geographic localities. We frame distributive politics within the literature on political accountability in democratic settings. Theoretically, we study interactions among four actors: elected officials, bureaucrats, voters, and organized subgroups of the population that we call special interests. We study the conditions when these interactions reveal distortions in democratic accountability.

The literature distinguishes two channels of distorted accountability. First, if politicians deliver goods to localities in order to secure votes, those trades between public officials and voters may lock voters in to supporting incumbents despite poor policy performance. We consider when, because of electoral incentives, politicians use distributive politics strategically with the effect of reducing democratic accountability. Here we study questions such as whose votes politicians are buying when they target voters with allocations to secure votes. Are core or swing voters the object of vote-buying allocations? Is it possible to identify when vote buying conflicts with economic efficiency? Why or when is vote buying politically effective? Why or when would voters exchange votes for allocations such as bridges and roads?

The second channel of distorted accountability involves the capture of politicians by organized groups of voters, commonly called special interests. If special interests are able to use financial or other resources to capture politicians, then distributive politics will reflect the preferences of those interests more than the preferences of the median voter. We study the conditions encouraging inequitable allocations due to capture. We study questions such as how groups successfully execute political capture, why voters are not able to prevent it from occurring, and the kinds of policy distortions that follow.

Empirically, our focus is on countries other than the United States, although students wishing to focus inquiry on the US are welcome in the course.

The first weeks of the course are theoretical, consisting mainly of formal readings. However, this is not a course in formal theory and no background in formal methods is expected. Our goal in reading theory is to think about different ways to undertake original empirical research. We then study how regimes and electoral institutions shape allocations. In the second half of the quarter, readings consist of empirical studies of the politics of allocations in various settings.

**Readings:** All papers that are assigned during the quarter will be available electronically. In addition, you must purchase (via Amazon or any other internet source) two books for the course because we read most of each of them. The books are:

Timothy Besley, *Principled Agents? The Political Economy of Good Government* (Oxford)

Gene M. Grossman and Elhanan Helpman, *Special Interest Politics* (MIT)

**Requirements:** You have three obligations in this course. First, students are required to attend class having completed the assigned reading each week. Second, you will present research findings orally at the end of the quarter, and, third, you will submit a brief research report.

For your research, you will select a country (or the European Union) to investigate in some detail. I will provide a lengthy bibliography of studies of distributive politics in a large number of countries to use as a starting point. Your oral presentation should begin with a summary of the literature on distributive politics for the country you choose. You may in addition select any specific class or category of goods (public jobs, block grants, electricity provision, infrastructure investments, etc.) to research in greater depth. You should read the pertinent country-specific literature that will guide you in thinking about institutional incentives for distribution, formulate specific hypotheses, and collect as much of the data on your class of goods as possible. Your (10-15 double-spaced pages) written report will lay out some ideas (and possibly some preliminary data) about how you might test your hypotheses. You are not expected to be able to produce research results at this stage of your work. Rather, your report should be thought of as a useful foundation for what might later become a field paper, a prospectus, or a dissertation chapter.

If you have alternate ideas about what would best serve your educational needs during the quarter, please see me to discuss them during the first week of the quarter.

Research reports are due by Friday, June 10 in order to receive a grade for the course. Students submitting reports after this date will receive incompletes.

## SYLLABUS

### Week One: Introduction (March 30)

### Week Two: Theory — Theories of Political Competition and Accountability (April 6)

Timothy Besley, *Principled Agents: The Political Economy of Good Government* (New York: Oxford University Press, 2006), chs. 1-3 and 5.

#### Recommended:

Robert Barro, "The Control of Politicians: An Economic Model," *Public Choice* 14 (1973): 19-42.

<http://www.springerlink.com/content/u526m437869287r3/>

John Ferejohn, "Incumbent Performance and Electoral Control," *Public Choice* 50 (1986): 5-25.

<http://springerlink.metapress.com/content/n766x82g36618240/>

Martin Osborne and A. Slivinski, "A Model of Political Competition with Citizen Candidates," *QJE* 111 (1996): 65-96.

<http://links.jstor.org/sici?sici=0033-5533%28199602%29111%3A1%3C65%3AAMOPCW%3E2.0.CO%3B2-B>

### Week Three: Theory — Interest Groups and Political Capture (April 13)

Gene M. Grossman and Elhanan Helpman, *Special Interest Politics* (Cambridge: MIT Press, 2001), chs. 4-5 and 7-10.

### Week Four: Theory — The Swing versus Core Debate (April 20)

Skim: Gary Cox and Mathew D. McCubbins, "Electoral Politics as a Redistributive Game," *JOP* (1986): 370-89.

<http://links.jstor.org/sici?sici=0022-3816%28198605%2948%3A2%3C370%3AEPARG%3E2.0.CO%3B2-9>

Assar Lindbeck and Jörgen W. Weibull, "Balanced Budget Redistribution and the Outcome of Political Competition," *Public Choice* 52 (1987): 273-97.

<http://www.springerlink.com/content/t0942tlq8v73u7h7/>

Study: Avinash Dixit and John Londregan, "The Determinants of Success of Special Interests in Redistributive Politics," *JOP* 58 (Nov. 1996): 1132-55.

<http://links.jstor.org/sici?sici=0022-3816%28199611%2958%3A4%3C1132%3ATDOSOS%3E2.0.CO%3B2-S>

Also read: Avinash Dixit and John Londregan, "Ideology, Tactics, and Efficiency in Redistributive Politics," *QJE* (May 1998): 497-529.

<http://links.jstor.org/sici?sici=0033->

Beatriz Magaloni, Alberto Díaz-Cayeros, and Federico Estévez, "Clientelism and Portfolio Diversification: A Model of Electoral Investment with Applications to Mexico," in *Patrons, Clients, and Policies: Patterns of Democratic Accountability and Political Competition*, ed. Herbert Kitschelt and Steven I. Wilkinson (New York: Cambridge University Press, 2007), pp. 182-205.

### **Week Five: Empirical and Theoretical Limitations to the Swing versus Core Debate (April 27)**

James M. Snyder, "Resource Allocation in Multiparty Elections," *AJPS* 34 (Feb. 1990): 59-73.  
<http://links.jstor.org/sici?sici=0092-5853%28199002%2934%3A1%3C59%3ARAIM%3E2.0.CO%3B2-6>

Matz Dahlberg and Eva Johansson, "On the Vote-Purchasing Behavior of Incumbent Governments," *APSR* 96 (March 2002): 27-40.  
<http://links.jstor.org/sici?sici=00030554%28200203%2996%3A1%3C27%3AOTVBOI%3E2.0.CO%3B2-I>

Susan C. Stokes, "Perverse Accountability: A Formal Model of Machine Politics with Evidence from Argentina," *APSR* 99 (Aug. 2005): 315-25.  
<http://journals.cambridge.org/action/displayAbstract?aid=332864>

- Skim: Gary Cox, "Swing Voters, Core Voters, and Distributive Politics," unpublished paper. Posted on course website.
- Skim: Simeon Nichter, "Vote Buying or Turnout Buying? Machine Politics and the Secret Ballot," *APSR* 102 (Feb. 2008): 19-31.  
<http://journals.cambridge.org/action/displayAbstract?aid=1720760>
- Skim: Thad Dunning and Susan Stokes, "Persuasion versus Mobilization," unpublished paper, 2007. Posted on course website.

### **Week Six: Empirics — Structural Funds in the European Union (May 4)**

Blom-Hansen, Jens, "Principals, Agents, and the Implementation of EU Cohesion Policy," *Journal of European Public Policy*, vol. 12, no. 4 (2005): 624—48.  
<http://www.ingentaconnect.com/content/routledg/rjpp/2005/00000012/00000004/art00002>

Bodenstein, Thilo and Kemmerling, Achim. "Ripples in a Rising Tide: Why Some EU Regions Receive More Structural Funds Than Others Do," Center for European Studies Working Paper No. 157, University of Pittsburgh, 2008. <http://aei.pitt.edu/9004/>

Boldrin, Michele and Canova, Fabio and Pischke, Jorn-Steffen and Puga, Diego. "Inequality and Convergence in Europe's Regions: Reconsidering European Regional Policies," *Economic Policy*, vol. 16, no. 32 (2001): 207—53. <http://www.jstor.org/stable/3601038>

Bouvet, Florence and Dall'erba, Sandy, "European Regional Structural Funds: How Large is the Influence of Politics on the Allocation Process?" *Journal of Common Market Studies*, vol. 48, no. 3 (2010). <http://onlinelibrary.wiley.com/doi/10.1111/j.1468-5965.2010.02062.x/pdf>

Kemmerling, Achim and Bodenstein, Thilo, "Partisan Politics in Regional Redistribution: Do Parties Affect the Distribution of EU Structural Funds across Regions?" *European Union Politics*, vol. 7, no. 3 (2006): 373-92. <http://eup.sagepub.com/cgi/reprint/7/3/373.pdf>

Kauppi, Heikki and Widgrèn, Mika, "What Determines EU Decision Making? Needs, Power or Both?" *Economic Policy*, vol. 19, no. 39 (2004): 223-66. <http://www.jstor.org/stable/1344636>

- For data on EU Structural Funds:

[http://ec.europa.eu/regional\\_policy/funds/prord/sf\\_en.htm](http://ec.europa.eu/regional_policy/funds/prord/sf_en.htm)

- For data and information on the European Regional Development Fund (ERDF):

[http://ec.europa.eu/regional\\_policy/funds/feder/index\\_en.htm](http://ec.europa.eu/regional_policy/funds/feder/index_en.htm)

### **Week Seven: Empirics — Infrastructure Allocations (May 11)**

Abhijit V. Banerjee and Ester Duflo, "The Economic Lives of the Poor," *JEP* 21 (2007): 141-67; especially the section on infrastructure. <http://econ-www.mit.edu/files/805>

James A. Robinson and Ragnar Torvik, "White Elephants," *Journal of Public Economics* 89 (2005): 197-210. <http://www.sciencedirect.com/science/article/B6V76-4CYN1X-1/2/29da46cf3870bc95463c97cda5c97920>

Miriam Golden and Lucio Picci, "Pork Barrel Politics in Postwar Italy, 1953-1994," *AJPS* (April 2008).

<http://eOffprint.aptaracorp.com/cgi-bin/offprint/alogin.sh?aid=17300ms6255NOuw9713HF>

Antoni Castells and Albert Solé-Ollé, "The Regional Allocation of Infrastructure Investment: The Role of Equity, Efficiency and Political Factors," *European Economic Review* 49 (2005): 1165-1205. <http://www.sciencedirect.com/science/article/B6V64-4B5C0SF-2/2/002647b907da5e668741cf22723d5dde>

### **Week Eight: Empirics — Vote Buying in Mexico (May 18)**

Alberto Díaz-Cayeros, Beatriz Magaloni, and Federico Estévez, *Strategies of Vote Buying: Social Transfers, Democracy and Welfare in Mexico* (Cambridge University Press, forthcoming). Posted on course website.

Nicola Persico, Jose Carlos Rodriguez-Pueblita, and Dan Silverman, "Factions and Political Competition," NBER Working Paper No. 13008 (April 2007).  
<http://www.nber.org/papers/w13008.pdf>

Sergio Bejar, "Information Flows and Variation in Vote Buying: Theory and Evidence from a Field Experiment in Mexico," paper presented at the Midwest Political Science Association, 2009. [http://www.allacademic.com/meta/p363035\\_index.html](http://www.allacademic.com/meta/p363035_index.html)

### **Week Nine: Empirics — Political Capture in India (May 25)**

Pranab Bardhan and Dilip Mookherjee, "Pro-Poor Targeting and Accountability of Local Governments in West Bengal," *Journal of Development Economics* 79 (2006):303-27.  
[http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6VBV-4JGJGTX-1&\\_user=10&\\_rdoc=1&\\_fmt=&\\_orig=search&\\_sort=d&\\_docanchor=&view=c&\\_searchStrId=1147226178&\\_rerunOrigin=scholar.google&\\_acct=C000050221&\\_version=1&\\_urlVersion=0&\\_userid=10&md5=b00b006193b7c2f9529e67c4a67c12dc](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6VBV-4JGJGTX-1&_user=10&_rdoc=1&_fmt=&_orig=search&_sort=d&_docanchor=&view=c&_searchStrId=1147226178&_rerunOrigin=scholar.google&_acct=C000050221&_version=1&_urlVersion=0&_userid=10&md5=b00b006193b7c2f9529e67c4a67c12dc)

Miriam A. Golden and Devesh Tiwari, "Criminality and Malfeasance of National Legislators in Contemporary India," unpublished paper, 2009.  
[http://golden.polisci.ucla.edu/workinprogress/golden-tiwari\\_apsa09.pdf](http://golden.polisci.ucla.edu/workinprogress/golden-tiwari_apsa09.pdf)

Brian Min, "Distributing Power: Public Service Provision to the Poor in India," chapter from dissertation in progress, UCLA.  
Posted on course website.

Timothy Besley and Robin Burgess, "The Political Economy of Government Responsiveness: Theory and Evidence from India," *QJE* 117 (Nov. 2002): 1415-51.  
<http://www.mitpressjournals.org/doi/abs/10.1162/003355302320935061>

### **Week Ten: Student Presentations of Allocations in Various Countries (June 1)**