

How do voters respond to information on self-serving elite behaviour?

Evidence from a randomized survey experiment in Tanzania

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Overview

- Use of tax havens one form of self-serving elite behaviour
- Broad research question:
 - Is self-serving elite behaviour associated with citizen political mobilization or dissociation?
- Two possible hypotheses:
 - Greater political participation since more is seen to be at stake
 - Less political participation as political system is distrusted more

Our approach:

- Randomized survey experiment in Dar es Salaam, November 2015
- 600 citizens of voting age randomly assigned to two treatment and a control group
- First treatment: Respondents are shown neutrally worded video on elite use of tax havens
- Second treatment: Respondents are shown morally charged version of same video
- Control: No video.

Context: Tanzania



- Multiparty elections since 1995
- Ruling party CCM has won every election
- General election 2015:
 - CCM presidential candidate won by 58.5 per cent of the votes
 - Turnout: 62.4 per cent of the voting age population.

Details of the survey experiment

Sample:

- 600 eligible voters in Dar es Salaam (18+)

Timing:

- October 30 – November 13 2015
- I.e. immediately following general election in Tanzania 25 October 2015
- (Pilot: February 2015)

Sampling:

- Randomly selected 24 polling stations (from the 2010 election) in Dar es Salaam.
- 8 enumerators walked pre-defined routes, interviewing a randomly selected member of every third household
- 25 people interviewed around each polling station

Treatments:

- Random allocation of respondents at the individual level

Order of survey:

1. Background information (age and gender)
2. Treatments
3. Electoral participation
4. Other participation
5. Views on democracy
6. Background information

The treatments

Neutral treatment:

- Video introduces tax havens, discusses effect on taxes and public services in Tanzania:
- [Swiss Billions Neutral ENG sub.mov](#)

Charged treatment:

- Same as neutral, but uses charged language
- [Swiss Billions Charged ENG Sub.mov](#)

Control:

- No video

Empirical approach

Pre-analysis plan registered at AEA RCT registry:

- <https://www.socialscisceregistry.org/trials/939>

First test effects of two treatments (collapsed together):

$$y_{i,s} = \alpha + \beta_T T_{i,s} + \beta_X X_{i,s} + \gamma_s + \varepsilon_{i,s} \quad (1)$$

Then each separately:

$$y_{i,s} = \alpha + \beta_{T1} T1_{i,s} + \beta_{T2} T2_{i,s} + \beta_X X_{i,s} + \gamma_s + \varepsilon_{i,s} \quad (2)$$

Main dependent variable:

- Intention to vote:
 - Question B.3 in the questionnaire: “If there was a new general election tomorrow, would you vote?” (1 - Yes, 0 - No)
 - Adjusted for misrepresentation of voting (those that claim to have voted in the 2015 election, but could not answer two control questions correctly)
 - We similarly adjust the control variable of whether the subject voted in the 2015 election

Other covariates as specified in pre-analysis plan (including polling station fixed effects)

Main results

	(1)	(2)	(3)	(4)
<i>Dependent variable</i>	<i>Voting intention</i>	<i>Voting intention</i>	<i>Voting intention</i>	<i>Voting intention</i>
Treated	-0.024 (0.042)		-0.040 (0.040)	
Treated neutral		0.032 (0.047)		0.015 (0.047)
Treated charged		-0.085* (0.049)		-0.093** (0.047)
Age			-0.004** (0.002)	-0.004** (0.002)
Male			-0.205*** (0.041)	-0.199*** (0.041)
Born in Dar es Salaam			-0.047 (0.046)	-0.045 (0.045)
Education, primary			-0.075 (0.071)	-0.074 (0.071)
Education, secondary			-0.026 (0.079)	-0.024 (0.078)
Education, tertiary			-0.108 (0.116)	-0.112 (0.114)
Head of household			-0.020 (0.050)	-0.024 (0.050)
Asset index			0.025 (0.021)	0.024 (0.021)
Religion, Christian			-0.113 (0.087)	-0.110 (0.085)
Religion, Muslim			-0.108 (0.086)	-0.103 (0.084)
Occupation, self-employed			-0.033 (0.049)	-0.034 (0.049)
Occupation, private sector employee			-0.069 (0.070)	-0.069 (0.069)
Occupation, government employee			0.006 (0.136)	0.001 (0.136)
Voted in 2015 election			0.192*** (0.041)	0.197*** (0.041)
Constant	0.641*** (0.034)	0.641*** (0.034)	1.120*** (0.163)	1.100*** (0.160)
Polling station fixed effects	No	No	Yes	Yes
r ²	0.001	0.010	0.157	0.165
N	600	600	593	593
p-value (treated neutral=treated charged)		0.016		0.026

Results

Main results:

- No effect of neutral information treatment
- Charged information *reduced* voting intentions

Mechanism:

- Information on self-serving elite behaviour reduces confidence in political institutions and faith in social contract

Heterogeneous effects:

- Participation particularly negatively affected of those with low agency (low wealth)
- Possible positive effect of neutral information on those with little democratic experience

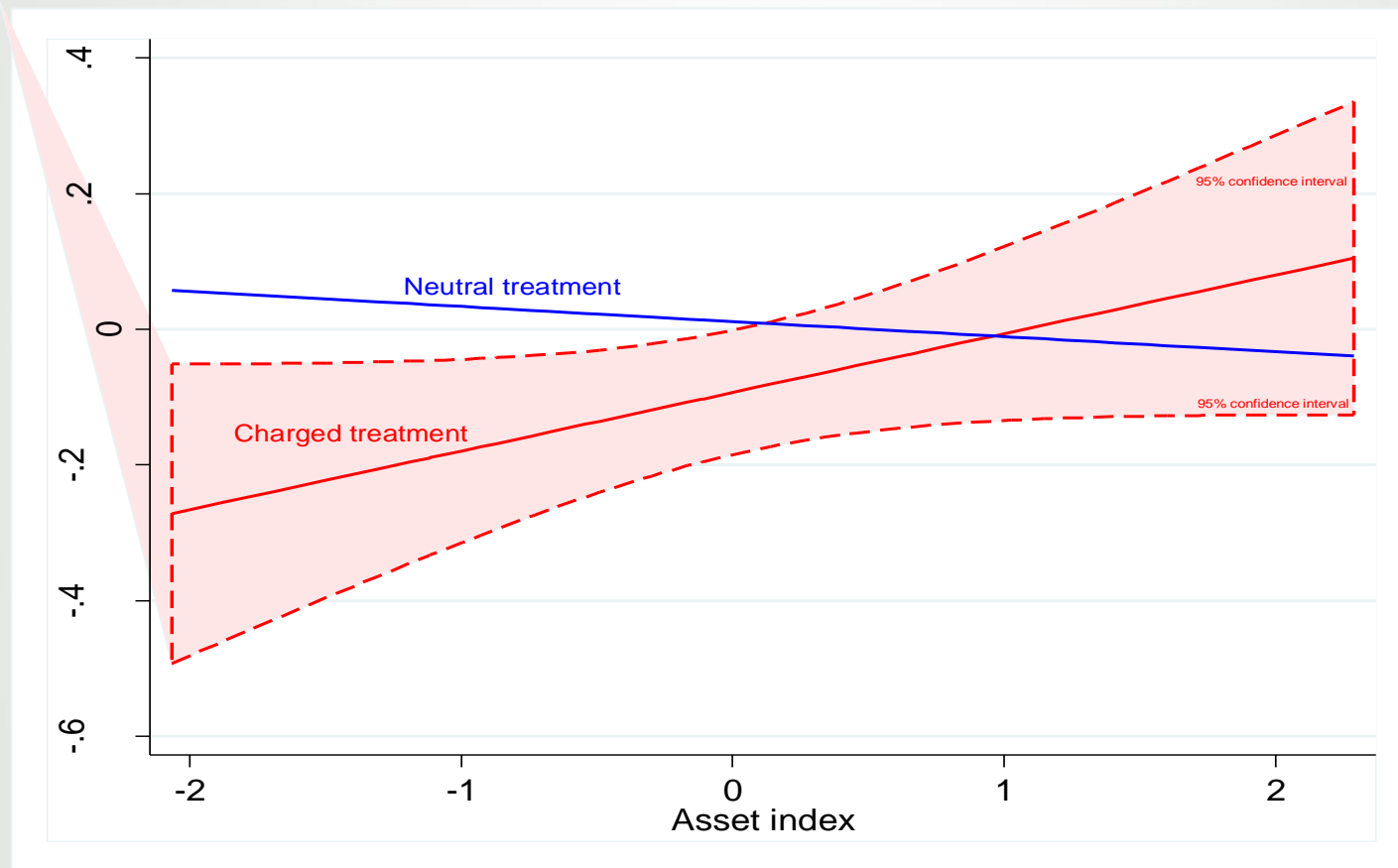
Mechanisms

	(1)	(2)	(3)
<i>Dependent variable</i>	<i>Belief in democracy</i>	<i>Faith in social contract</i>	<i>Confidence in political institutions</i>
Treated neutral	0.008 (0.070)	-0.299** (0.135)	-0.168* (0.096)
Treated charged	-0.113 (0.073)	-0.536*** (0.130)	-0.303*** (0.093)
Constant	3.740*** (0.279)	3.106*** (0.493)	3.372*** (0.321)
Covariates	Yes	Yes	Yes
r ²	0.122	0.153	0.133
N	472	458	570
p-value (treated neutral=treated charged)	0.088	0.043	0.149

Heterogeneous effects

	(1)	(2)	(3)
<i>Dependent variable</i>	<i>Voting intention</i>	<i>Voting intention</i>	<i>Voting intention</i>
<i>Interaction variable</i>	<i>Asset index</i>	<i>Head of household</i>	<i>Voted in 2015 election</i>
Treated neutral (β_{T1})	0.011 (0.047)	-0.046 (0.063)	0.153** (0.075)
Treated neutral*Interaction variable (β_{T1INT})	-0.022 (0.046)	0.124 (0.092)	-0.223** (0.095)
Treated charged (β_{T2})	-0.093** (0.047)	-0.167*** (0.064)	-0.031 (0.083)
Treated charged*Interaction variable (β_{T2INT})	0.087* (0.048)	0.154 (0.095)	-0.099 (0.101)
Constant	1.099*** (0.163)	1.212*** (0.160)	1.006*** (0.166)
Covariates	Yes	Yes	Yes
r2	0.173	0.169	0.173
N	593	593	593
p-value ($\beta_{T1} + \beta_{T1INT} = 0$)	.	0.249	0.244
p-value ($\beta_{T2} + \beta_{T2INT} = 0$)	.	0.849	0.022

Marginal effects at different asset levels



Conclusions and implications

In less well-functioning democracies:

- information on self-serving elite behaviour has no effect or a negative effect on political participation
- undermines confidence in political institutions and faith in social contract
- particularly adverse effects for those with low agency
- but possible positive effect of neutral information on those with little democratic experience

Possible implications:

- Electoral accountability may require fundamental changes to political system in less well-functioning democracies
- Multiple equilibria?
 - Kolstad and Wiig (forthcoming, EJPR) find the opposite result for well-functioning democracies
- Tax haven initiatives that focus on information:
 - Less likely to be supported, implemented, and used by governments in less well-functioning democracies
 - Paradoxically, these are the countries hit hardest by tax havens

Balance treatment and control groups

	Treated neutral	Treated charged	Control	p-value (neutral vs charged)	p-value (neutral vs Control)	p-value (charged vs Control)	Orthogonality test
Age	34.673 (0.913)	35.829 (0.980)	34.838 (0.865)	0.389	0.896	0.449	0.650
Male	0.457 (0.035)	0.515 (0.036)	0.530 (0.036)	0.240	0.139	0.769	0.291
Born in Dar es Salaam	0.266 (0.031)	0.289 (0.033)	0.364 (0.034)	0.609	0.034	0.114	0.092
Education, primary	0.563 (0.034)	0.567 (0.036)	0.510 (0.036)	0.928	0.291	0.260	0.452
Education, secondary	0.279 (0.031)	0.289 (0.033)	0.343 (0.034)	0.828	0.161	0.245	0.330
Education, tertiary	0.077 (0.019)	0.052 (0.016)	0.056 (0.016)	0.299	0.387	0.860	0.552
Head of household	0.510 (0.035)	0.505 (0.036)	0.480 (0.036)	0.929	0.549	0.617	0.814
Asset index	-0.013 (0.071)	-0.025 (0.070)	0.038 (0.072)	0.901	0.611	0.525	0.799
Religion, Christian	0.428 (0.034)	0.407 (0.035)	0.434 (0.035)	0.675	0.896	0.588	0.851
Religion, Muslim	0.529 (0.035)	0.557 (0.036)	0.510 (0.036)	0.576	0.706	0.356	0.650
Occupation, self-employed	0.623 (0.034)	0.639 (0.035)	0.619 (0.035)	0.741	0.936	0.685	0.911
Occupation, private sector employee	0.130 (0.023)	0.124 (0.024)	0.117 (0.023)	0.840	0.677	0.833	0.917
Occupation, government employee	0.019 (0.010)	0.010 (0.007)	0.046 (0.015)	0.454	0.138	0.034	0.102
Voted in 2015 election	0.615 (0.034)	0.680 (0.034)	0.636 (0.034)	0.173	0.663	0.359	0.379
Distance to polling station	0.242 (0.011)	0.274 (0.026)	0.242 (0.015)	0.277	0.970	0.296	0.530
N	208	194	198				

Contribution

- Large literature suggests transparency increases accountability (Besley and Prat, 2006; Brunetti and Weder, 2003; Besley and Burgess, 2002; Reinikka and Svensson, 2011).
 - However, limitations of transparency noted by Holmstrøm (1999), Bac (2001), Stasavage (2004), Prat (2005), Kolstad and Wiig (2009).
- A number of experiments study effect of information on political behaviour (Aker et al, 2013; Fafchamps and Vicente, 2013; Ferraz and Finan, 2008; Banerjee et al., 2011, Humphreys and Weinstein, 2012, Kuziemko et al. 2015)
 - Information on self-serving elite behaviour understudied
 - Chong et al. (2015): Corruption information decreases turnout
 - Challenges: Selective information takeup and strategic party responses to mass communication of information

Contribution continued

- Literature on negative campaigning suggests that form of information may matter (Ansolabehere et al., 1994; Lau et al., 2007; Fridkin and Kenney, 2011; Barton et al., 2016)
 - However, largely focused on democratic countries like the US
- Literature on tax havens:
 - Developing countries the hardest affected (Johannesen et al., 2016)
 - International policy initiatives focus on information:
 - Effectiveness questioned (Johannesen and Zucman, 2014).
 - Recent leaks argued to increase pressure for more effective global regime (Seabrooke and Wigan, 2016).