

Responsiveness in Municipal Government

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New Avenues In The Study Of Policy Responsiveness
October 30, 2017

1 Motivation

2 An Annual Measure of Municipal Fiscal Policy Conservatism

3 Local Policy Preferences

4 Are the Municipalities Responsive?

5 A Discontinuity in Policy Control

6 Where do we go from here?

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In most developed countries municipal governments are an essential cog in the machinery of representative government.

Yet we know little about the extent to which municipal governments are democratically responsive to the views of their citizens.

Some indirect evidence (Blom-Hansen et al., 2006; Folke, 2014; Burnett and Kogan, 2017), but only a few studies examine it directly (Tausanovitch and Warshaw, 2014; Einstein and Kogan, 2016; Sances, 2017)

But these are all in the US and either have good measures or a good design.

→ Our study is in Denmark (for sure) and has both good measures and a good design (hopefully).

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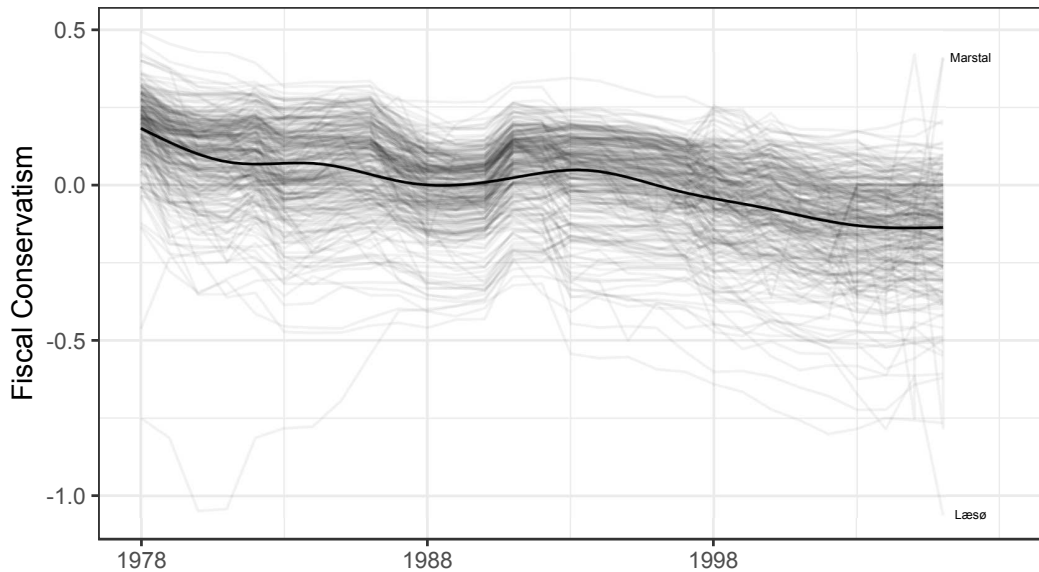
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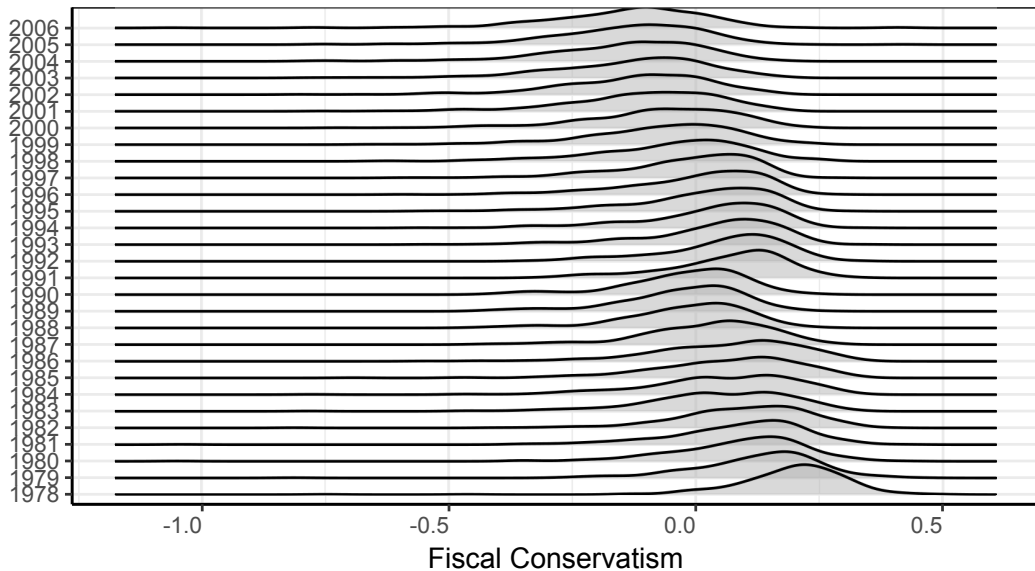
We collect 14 items on fiscal policy and run them through the following measurement model:

$$F_{itk} \sim N(F_{itk}^*, \phi)$$
$$F_{itk}^* = \beta_k C_{it} - \alpha_{tk}$$

A Bayesian Latent Variable Model.

Policy	Availability (number of years)	Do Higher or Lower Values Imply Conservatism?
<i>Tax policy</i>		
Income tax (pct.)	29	Lower
Property tax (per mille)	29	Lower
Commercial real estate tax (per mille)	14	Lower
<i>Spending policy</i>		
Spending pr. capita (DKK)	29	Lower
Spending pr. pupil in school (DKK)	7	Lower
<i>Organization of public service delivery</i>		
Public Employees (pr. 1,000 citizens)	9	Lower
Privately operated services (pct.)	14	Higher
Purchases with a private supplier (pct.)	14	Higher
<i>Co-payment for public services</i>		
Average cost of day care (DKK)	16	Higher
Price of relief stay (DKK)	7	Higher
Food delivery for the elderly (DKK)	7	Higher
Stay in nursing home (DKK)	7	Higher
<i>Extent of Public Services</i>		
Public housing (pct.)	14	Lower
Class size in public schools	14	Lower





The measure has good face validity.

Most Conservative muni's: Hørsholm, Gentofte & Solrød.

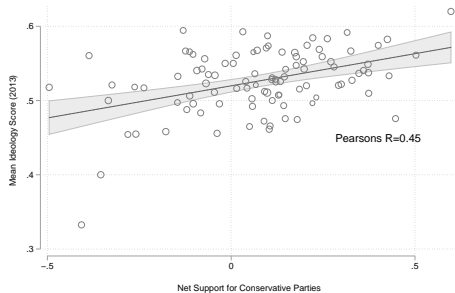
Most Liberal/Social Democratic: Nakskov, Aarhus & Odense.

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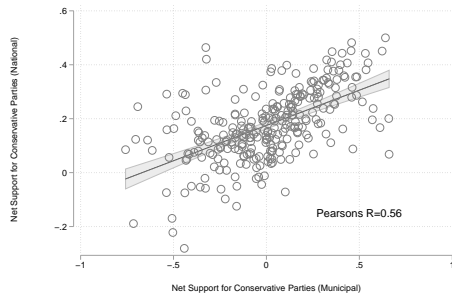
We use election results from municipalities to measure local policy preferences.

Common in the literature, but not necessarily the ideal.

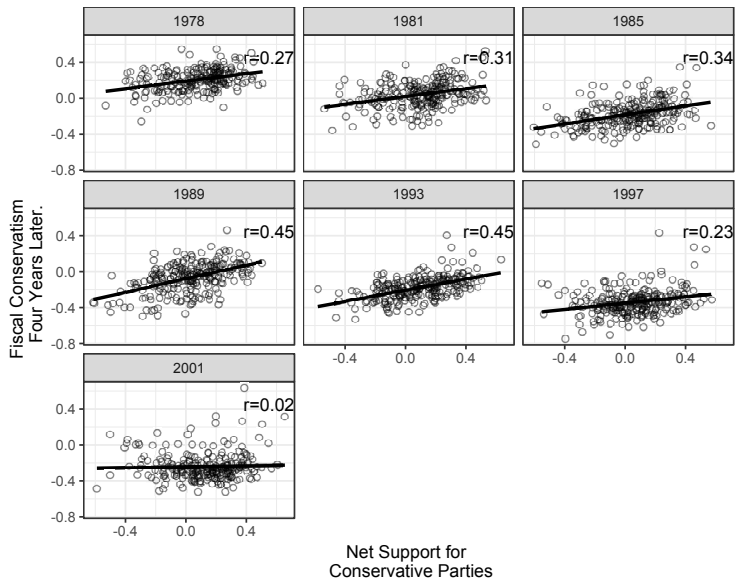
In future iterations: Multi-level Regression with Post-stratification using the DNES.



(a) Does the electorate's preference over parties reflect preferences over policy? Data from the 2013 municipal election.



(b) How strongly correlated are the electorate's preferences at municipal and national elections? Data from the 2005 municipal and national elections.



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To estimate responsiveness we use the following model (β):

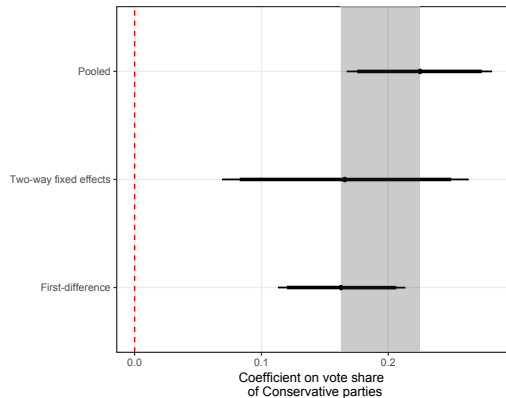
$$C_{it+1} = \beta V_{it} + \gamma_i + \pi_t + \theta POP_{it} + \epsilon_{it},$$

A generalized difference in difference model. We may need more controls, but which?

If net support for right-wing parties increases with 10 percentage points, then policy becomes 0.02 more conservative.

If Gentofte got the voters from Albertslund, then they would get the fiscal policy of Slagelse.

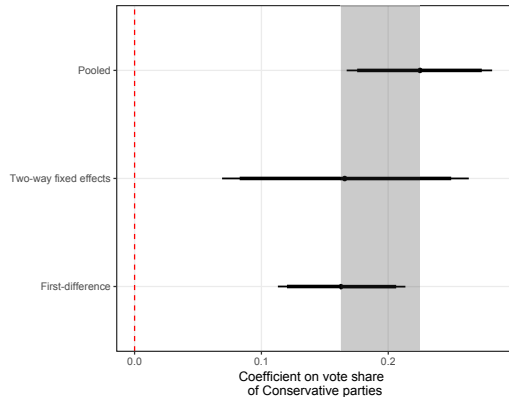
If Albertslund got the voters from Gentofte, then they would get the fiscal policy of Frederikssund.

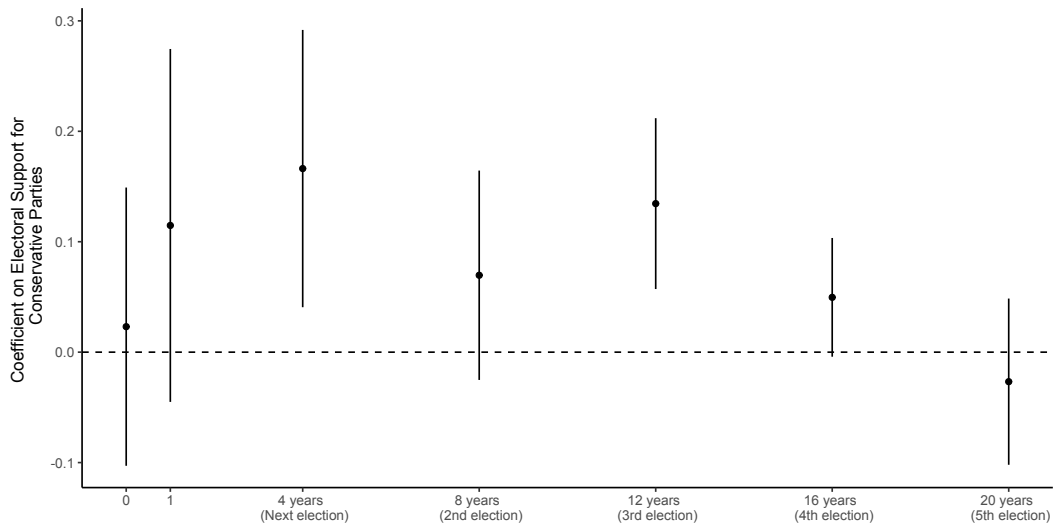


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As a final part of our analysis we are interested in examining whether single party majority status affects the level of responsiveness.

Now: Look at deviation between policy preference and policy status quo.

~> To bring measures on same scale we std and use preference as prior for policy

Compare deviation across electoral discontinuity assigning single party majority in city council.

~> Do councils where largest party narrowly wins/loses majority differ in responsiveness?

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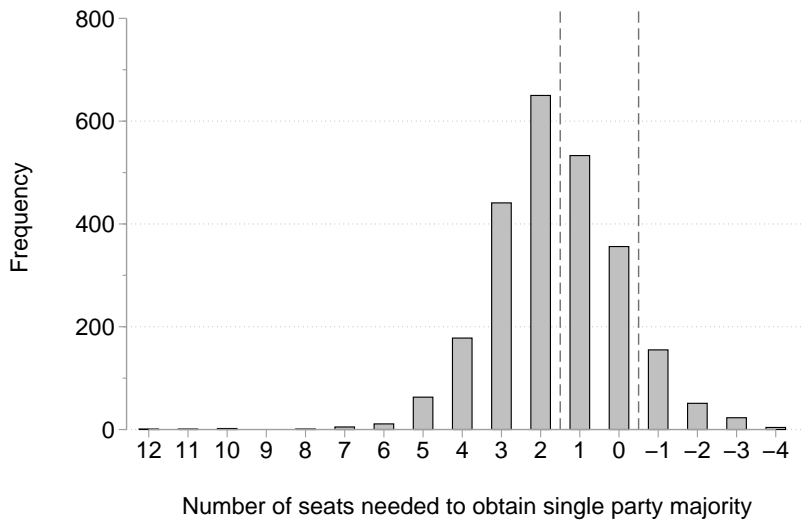
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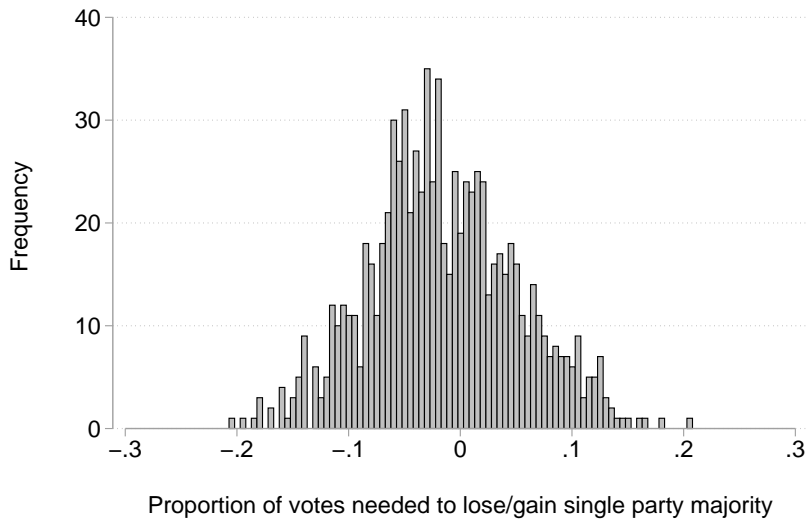
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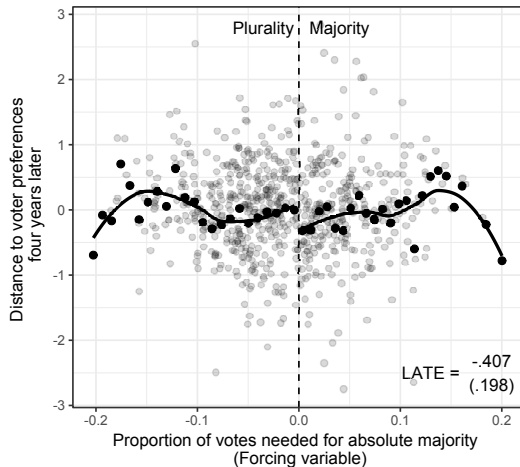
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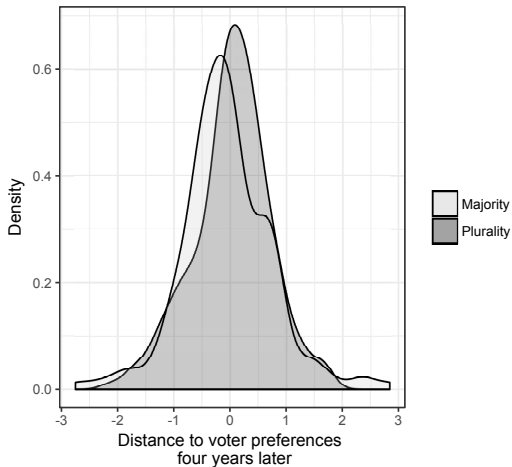


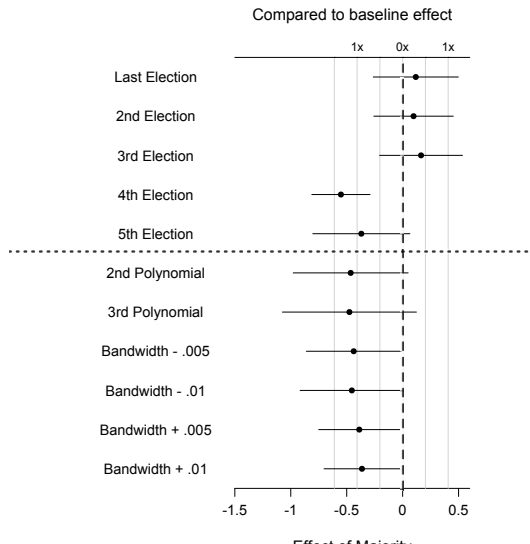


A: Difference between pluralities and majorities at the discontinuity



B: Distribution of Distances for pluralities and majorities





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This the beginning of a project we hope to extend in various ways. In particular, we are currently pondering some of the following questions.

- ① Are we missing some important policy items? Is it possible to get better coverage for some of the variables? Is it necessary?
- ② What controls should we have? They need to have good coverage (span all municipalities across many years).
- ③ Should we look at a second country? We might be able to do a scaled down version of this in Norway.
- ④ Should we get a better measure of local policy preferences? We think that we will be able to get municipal level ideological estimates by using MRP to model the left-right question in the Danish National Election Studies.
- ⑤ Should we look more into the general responsiveness analysis or more into the RDD? What is the most interesting?

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