

Three Essays on Sanctions of Politicians in Brazil

A proposal submitted in partial fulfillment of the requirements for the Degree of Doctor of
Philosophy in Public Policy

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Abstract

This dissertation project will investigate the relationship between legal sanctions and politics in Brazil. In the first paper, I look at the effect of convictions for electoral infractions on electoral performance in four municipal elections between 2004 and 2016. The second paper tests whether State Court judges significantly rule in favor of politicians involved in small claim court cases. Finally, the last paper investigates whether active and passive transparency simultaneously improve government performance and increase the number of legal sanctions for government wrongdoing. These papers contribute significantly to the literature in political science, economics, and law by exploring the relationship between legal sanctions and local political dynamics in developing countries. In addition, I also contribute new data sources in the form of judicial decisions and innovative identification strategies using institutional features of Brazilian electoral and judicial systems.

Keywords: political economy of development; electoral politics; judicial politics; transparency; economics of crime.

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Summary

1 Electoral Crime Under Democratic Rule: Evidence from Brazil

1.1 Introduction

In democratic regimes, office-seeking politicians employ various tactics to get elected. They might promise more resources to increase the provision of local public goods, such as schools, hospitals, or roads; they can run ads on TV and, more recently, on social media to promote their candidacy; they could even meet with their constituents and gain their vote by establishing a personal connection with them. While these tactics are different, sometimes complementary means a politician could deploy to win an election, they all characterize *play-by-the-rules* strategies. Governments generally allow such practices because they are fair electoral weapons which make electoral systems competitive. In this paper, however, I focus on forbidden, and less understood, ways to win an election by *breaking the rules* and deploying illegal tactics to shape election results.

Scholars have not ignored the various forms in which politicians break electoral rules to win elections. Lehoucq (2003) offers a comprehensive account of electoral fraud, which takes up a variety of forms such as procedural rule-breaking, illegal campaigning, violence, and even unequivocal vote buying. In a more recent study, Gans-Morse et al. (2013) design a theoretical framework encompassing four types of clientelism practices (vote, turnout, and abstention buying, and double persuasion) and their adoption under five different institutional designs. Their key insight is that the electoral system shapes the type of clientelism employed for electoral gain.

Indeed, most recent studies looking into illegal electoral tactics have two common characteristics: first, they are largely concerned with coercive threats that prevent free and fair elections, as suggested by Mares and Young (2016); second, they focus heavily on non or partially democratic regimes, evidenced by the vast literature on electoral authoritarianism (Gandhi and Lust-Okar, 2009; Levitsky and Way, 2002; Schedler, 2015; Ichino and Schündeln, 2012; Asunka et al., 2017). Despite the richness of this literature, I address two unexplored issues that are supplemental to our understanding of how individuals might break the rules in order to get elected.

The first contribution is uncovering the effect of electoral infractions that are harder to detect or whose relationship with electoral outcomes is less known or well understood. For instance, politicians might use illegal forms of advertising or slush funds to spend beyond their campaign limits in order to win an election. Likewise, candidates and political parties might not meet all requirements for submitting candidacies, such as been cleared of previous crime accusations – which is a special provision in Brazilian electoral law. The second contribution is precisely understanding how electoral infractions influence electoral competition in one of the top five largest democracies in the world. Despite a recent fallback, Brazil ranked in the top 10% countries in the V-Dem Electoral Democracy Index for the period under study, 2004-2016 (Coppedge et al., 2018).

1.2 Institutional Background

1.3 Theory

1.4 Empirical Strategy

1.5 Preliminary Results

Table 1: Descriptive Statistics

	N	Mean	St. Dev.	Min	Max
Age	9,469	46.34	11.02	17	86
Male	9,469	.793	.405	0	1
Political Experience	9,469	.091	.287	0	1
Campaign Expenditures	9,469	144,722	456,532	0	20,000,000
Convicted at Trial	9,469	.641	.480	0	1
Convicted on Appeal	9,469	.537	.499	0	1
Probability of Election	9,441	.191	.393	0.000	1
Vote Distance to Elected Candidates (in p.p.)	9,441	-4.09	9.55	-92.82	12.83
Total Vote Share (in p.p.)	9,441	10.131	17.983	0	100

Table 2: First Stage Regressions of Convictions at Trial and on Appeal

	Outcome: Convicted on Trial	
	First-Stage	First-Stage
	(1)	(2)
Convicted on Appeal	.766*** (.006)	.757*** (.007)
Individual Controls	-	Yes
Observations	9,469	9,469
R ²	.633	.649
Adjusted R ²	.633	.648
Residual Std. Error	.290	.285
F-Statistic	16,356*** (df = 1; 9467)	1,092*** (df = 16; 9452)

Note: *p<0.1; **p<0.05; ***p<0.01.

1.6 Further Development

Table 3: The Effect of Electoral Crimes on the Probability of Election

	Outcome: Probability of Election					
	OLS (1)	OLS (2)	Reduced-form (3)	Reduced-form (4)	IV (5)	IV (6)
Convicted at Trial	-.208*** (.009)	-.173*** (.009)			-.272*** (.011)	-.288*** (.010)
Convicted on Appeal			-.209*** (.008)	-.182*** (.008)		
Individual Controls	-	Yes	-	Yes	-	Yes
Observations	9,441	9,441	9,441	9,441	9,441	9,441
R ²	.065	.123	.070	.133	.059	.055
Adjusted R ²	.065	.122	.070	.131	.058	.055
Residual Std. Error	.380	.368	.379	.366	.381	.382
F-Statistic	652.4*** (df = 1; 9439)	82.9*** (df = 16; 9424)	715.4*** (df = 1; 9439)	90.0*** (df = 16; 9424)	-	-

Note: *p<0.1; **p<0.05; ***p<0.01.

Table 4: The Effect of Electoral Crimes on the Vote Distance to Elected Candidates

	Outcome: Vote Distance to Elected Candidates (in p.p.)					
	OLS (1)	OLS (2)	Reduced-form (3)	Reduced-form (4)	IV (5)	IV (6)
Convicted at Trial	-.308 (.199)	-.736*** (.206)			-.519** (.254)	-.315 (.251)
Convicted on Appeal			-.399** (.196)	-.751*** (.200)		
Individual Controls	-	Yes	-	Yes	-	Yes
Observations	9,441	9,441	9,441	9,441	9,441	9,441
R ²	0.000	.028	0.000	.028	0.000	0.000
Adjusted R ²	0.000	.026	0.000	.026	0.000	0.000
Residual Std. Error	9.550	9.426	9.549	9.425	9.551	9.550
F-Statistic	2.3 (df = 1; 9439)	16.7*** (df = 16; 9424)	4.1** (df = 1; 9439)	16.9*** (df = 16; 9424)	-	-

Note: *p<0.1; **p<0.05; ***p<0.01

Table 5: The Effect of Electoral Crimes on the Total Vote Share

	Outcome: Total Vote Share (in p.p.)					
	OLS (1)	OLS (2)	Reduced-form (3)	Reduced-form (4)	IV (5)	IV (6)
Convicted at Trial	-12.935*** (.418)	-10.629*** (.396)			-16.795*** (.478)	-17.865*** (.479)
Convicted on Appeal			-12.924*** (.364)	-11.117*** (.339)		
Individual Controls	-	Yes	-	Yes	-	Yes
Observations	9,441	9,441	9,441	9,441	9,441	9,441
R ²	.119	.237	.128	.253	.109	.102
Adjusted R ²	.119	.236	.128	.252	.108	.102
Residual Std. Error	16.879	15.721	16.790	15.558	16.980	17.044
F-Statistic	1,277*** (df = 1; 9439)	183*** (df = 16; 9424)	1,390*** (df = 1; 9439)	199*** (df = 16; 9424)	-	-

Note: *p<0.1; **p<0.05; ***p<0.01

2 Judicial Favoritism of Politicians: Evidence from Small Claim Courts

2.1 Introduction

2.2 Institutional Background

2.3 Theory

2.4 Empirical Strategy

2.5 Preliminary Results

2.6 Further Development

3 Active and Passive Transparency in Brazilian Municipalities

3.1 Introduction

3.2 Institutional Background

3.3 Theory

3.4 Empirical Strategy

3.5 Preliminary Results

3.6 Further Development

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