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The causal effect of compulsory voting laws on turnout: Does skill matter?



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Laura Jaitman

Department of Economics, University College London, Gower Street, London WC1E 6BT, United Kingdom

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ABSTRACT

A very important, yet unsettled, question is whether mandatory voting affects political participation. This paper exploits a natural experiment to assess the causal impact of compulsory voting on turnout and, more importantly, to test whether the impact is different across skill groups. I find that compulsory voting increases voter turnout by 18 percentage points (28%) and the increase is twice as much in the unskilled citizens than that in the skilled citizens. This study is the first to show, with rigorous empirical evidence, that compulsory voting laws are effective in reducing the skill/socioeconomic gap in political participation. Furthermore, by shaping the electorate, these laws have relevant consequences in terms of the economic policies applied.

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1. Introduction

Modern societies are formed by heterogeneous groups with diverse preferences for policies. In democratic countries, the conflict of interests among these groups is resolved through elections. Thus, who participates in voting has direct political and economic consequences, as those represented in the election are likely to influence the course of decisions. In particular, whether those who vote are skilled or unskilled will affect the allocation of resources in the economy, as skilled and unskilled citizens have different preferences over key economic policies (see, among others, Galiani et al., 2013 on trade policy; Kenworthy and Pontusson, 2005 on redistribution policies; Lee and Roemer, 2005 on unionization of labor markets; Lora and Panizza, 2002 on structural reforms).

In this paper, I exploit a natural experiment to assess the causal effect of compulsory voting on turnout and, more importantly, to test whether there is any difference in its impact across skill groups.¹ To the best of my knowledge, I am the first to identify the causal effect of mandatory voting on turnout and to explore the interaction between the institution of compulsory voting and skill level, both being questions of first-order importance in political economy.

Compulsory voting laws (CVLs) are defined as a system of laws or norms mandating that enfranchised citizens turn out to vote often accompanied by a system of compulsory voter registration and penalties for non-compliance (Jackman, 2001). Nowadays, about one-fifth of the democracies in the world have CVLs with different levels of enforceability.² Also, mandatory voting has become a current topic of discussion for academics and politicians in Europe owing to the recent

E-mail address: laura.jaitman.09@ucl.ac.uk

¹ I employ a measure of skill based on the profession of the citizens stated in the official electoral register.

² 40 countries applied CVLs in the past and 27 continue to apply them, at least in some administrative units within the country (International IDEA, 2011).

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decrease in turnout rates (Birch, 2009).³ Many authors stress the increase in turnout and the consequent attenuation of the skill/socioeconomic gap in political participation as the advantages of mandatory voting (see, for example, Liphart, 1997), but there is no rigorous evidence in support of these claims.

The natural experiment exploited in this paper provides a novel identification strategy for the effect of mandatory voting on voter turnout. Argentina is a presidential representative democracy where the Executive and Legislative authorities are elected by the citizens. Voting is compulsory since 1912 for all the Argentines aged 18–70 years and registration is automatic. Compulsory voting is enforceable: most of the citizens know the CVL age limit and believe that sanctions apply for nonvoters (the Electoral Law as of 2009-year of the election under analysis- stipulates ineligibility for public service for three years and not being qualified to receive services in public offices for one year). Exploiting the exogenous discontinuity in the obligation to vote at the age of 70, I rely on a regression discontinuity design (RDD) to study the effects of the CVL on the overall turnout and the differences in the effect of the CVL across skill groups at the cut-off point. As in every natural experiment that exploits a RDD design, only the causal effect of interest at the age cut-off is identified.⁴

For this purpose, I collected a unique data-set in the 2009 Legislative Elections. The data-set comprises a random sample of voting rosters, which includes 300,000 citizens from Buenos Aires City. In these rosters, it is recorded whether each individual voted or not, together with other individual-level covariates (year of birth, address, gender, profession, and voting place, among others). I focus on the cohorts of males around the discontinuity age of 70, which yields 10,136 records of males aged 65–74.⁵ The novelty of this data-set is the availability of individual official voting records.

The results of this paper show that mandatory voting boosts turnout by around 18 percentage points (p.p.) which represents a 28% increase over the voter turnout without the CVL at the age of 70. This is close to the upper bound of the findings of previous cross-sectional literature whose estimates range between 7 and 17 p.p. (see, among others, Birch, 2009 and Powell, 1986). Regarding the difference in the effect across skill groups, I found that unskilled citizens were affected significantly more by the CVL than the skilled citizens: the turnout of the unskilled increased by 22 p.p. (38%) under the CVL and that of the skilled by only 12 p.p. (17%). The difference is significant at conventional statistical levels.

I am the first to provide such concrete empirical support to the argument that mandatory voting attenuates the skill gap in political participation (Liphart, 1997). Furthermore, I found suggestive evidence that voluntary voters (more skilled) are oriented more to the right-wing parties, confirming that their political preferences are different from those of compulsory voters. This implies that voting institutions affect the economic policy outcomes and constitute evidence in favor of the observed fact that populist parties are more prone to promote CVLs (Pacek and Radcliff, 1995; Nagel, 1988).

The remainder of the paper is organized as follows: Section 2 presents a brief review of literature on the channels through which the composition of the electorate affects economic policies, together with a summary of the main findings of previous work; Section 3 presents in detail the natural experiment exploited, followed by data description in Section 4; Section 5 presents the identification strategy and the checks of the main underlying assumptions to ensure the internal validity of the design. The results are shown in Section 6, followed by a set of robustness checks. Finally, Section 7 presents the salient conclusions.

2. Literature review

Half of the world's population lives under democratic or semi-democratic regimes⁶ where elections are typically the instances to express the popular will. It is well documented in the empirical and theoretical literature that, in the context of the heterogeneous composition of the society, who votes affects the equilibrium outcomes regardless of the electoral competition framework.⁷ If, for example, one follows the standard political competition models that suggest convergence to a mean or median voter, it is easy to see that who votes will determine how the electorate is distributed across the policy space and where the median voter is placed. Therefore, it is important to study the consequences of institutions, such as CVL, that have the potential of shaping the electorate.

Who votes influences the economic policies to be applied. For instance, in the case of trade policy, according to the Heckscher Ohlin framework, in a land-rich economy, the unskilled from the manufacturing sector would be for protectionism, and if they do not vote, the winning platform would be oriented more towards free-trade. In fact, if we consider the case of Argentina, in the beginning of its institutional history, the country, consistent with its comparative advantages, was participating in the first wave of globalization as an exporter of primary goods. It was a very open country (Brambilla et al.,

³ These debates take place mainly in the UK (Ballinger, 2006; Electoral Commission, 2006; Keaney and Rogers, 2006), in France and in Eastern Europe (Czesnik, 2007).

⁴ Especially, in the case analyzed, people might have got used to voting throughout their life, so my results cannot be used to predict the effect of the CVL at the age of 18, for example, when people start voting. The differential effect for skill groups at age 70 is unlikely to be affected by this caveat.

⁵ In the electoral register, the educational attainment of the citizens is not stated. No females were considered in my main analysis, because 32% of the females declared 'housewife' as their profession; so, the skill level of a considerable proportion of females' sample was uncertain. All the analysis presented is for males except otherwise indicated.

⁶ According to the Democracy Index 2010 (The Economist Intelligence Unit), 12.3% of the world's population lives in full-democracies and 37.2% in flawed democracies.

⁷ See, for example, Downs (1957) and Ledyard (1984), and for other frameworks Hortala-Vallve and Esteve-Volart (2011) and Lindbeck and Weibull (1993).

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