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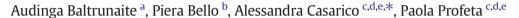
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## Gender quotas and the quality of politicians



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#### ABSTRACT

We analyze the effects of the introduction of gender quotas in candidate lists on the quality of elected politicians, as measured by the average number of years of education. We consider an Italian law which introduced gender quotas in local elections in 1993, and was abolished in 1995. As not all municipalities went through elections during this period, we identify two groups of municipalities and use a Difference in differences estimation. We find that gender quotas are associated with an increase in the quality of elected politicians, with the effect ranging from 0.12 to 0.24 years of education. This effect is due not only to the higher number of elected women, who are on average more educated than men, but also to the lower number of low-educated elected men. The positive effect on quality is confirmed when we measure the latter with alternative indicators, it persists in the long run and it is robust to controlling for political ideology and political competition.

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#### 1. Introduction

This paper studies the effects of the introduction of gender quotas in candidate lists on the quality of elected politicians. Women are largely under-represented in political institutions. According to the most recent data, women represent only 19.8% of members of Parliaments in the world. In the European Parliament women are 35% of the members. When we consider the different European countries, in the Lower (or Single) House around 40% of members are female in Belgium,

Denmark, Finland, Norway, Sweden and only 22% in Italy. The figures for the Upper House are not very different. Even in local governments, which are typically considered a first step for politicians' career, and possibly easier to access for women, in many countries the female presence is much lower than their share in the population would predict. In Italy, for instance, women represent 11% of mayors, 20% of members of municipal councils and 21% of members of executive committees in municipalities.

There are many arguments in favor of increasing female presence in politics. First, given that women represent half of the population, equal participation in political decision-making contributes to legitimizing the democratic body (Stevens, 2007). Second, as women's needs may be different from men's ones, a larger female presence may be justified as a way to redirect policy implementation and public spending towards specific areas (Funk and Gathmann, 2010; Rehavi, 2007). Additionally, female political leadership may also be beneficial in itself, if women adopt different behavior and practices which have a positive impact on the quality of institutions and organizations (Epstein et al., 2005).

There are also arguments against the introduction of affirmative action measures, such as gender quotas. Some of them are not specific to politics but also apply to business. One of the main claims is that female under-representation is just the result of individual choices, especially those related to fertility and motherhood. Thus, by equalizing outcomes rather than opportunities, affirmative action policies risk to promote less qualified individuals who will very likely perform poorly: gender

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quotas may increase equity at the expense of efficiency (Holzer and Neumark, 2000). As gender quotas do not necessarily obey to meritocracy, the average quality of those responsible for decision-making may decrease. Since the quality of politicians is crucial for good governance and consequently for performance, this consideration may be used against the introduction of gender quotas in politics.

In this paper we reverse the argument that gender quotas may have an adverse effect on the quality of selected representatives. On the contrary, focusing on politics, and measuring the quality of politicians primarily by their years of education, we show that gender quotas may increase the quality of elected politicians.

We perform an empirical analysis focused on the temporary adoption of gender quotas in candidate lists in Italy. Gender quotas were introduced in Italy in 1993 by the Law No. 81, and were abolished in 1995 by the Constitutional Court. The law imposed that in candidates' lists neither gender could represent more than 2/3 of the total number of candidates. Given that not all municipalities voted during the years 1993–1995 when the law was in force, we can identify two groups of municipalities, one affected by the quota and another one unaffected. This allows us to use a Difference in differences approach to investigate the effect of gender quotas on the quality of politicians. Given the reasonable assumption that there is a positive relationship between educational attainment and private sector's success, and between market and political skills (Galasso and Nannicini, 2011), we measure the quality of politicians in terms of human capital (see also Kotakorpi and Poutvaara, 2011). We thus compare the change in the average education of politicians across the two groups of municipalities before and after the policy is enforced. In this way we disentangle the effect of the quotas on politicians' quality from the temporal trend, which we assume to be common to the two groups. We find that, due to the introduction of the reform, the average education of elected politicians increased significantly more in municipalities affected by the policy. Namely, municipal councilors invested in their education around 2–3 months more in the treated group than in the control one. The effect is driven not only by the increase in the number of elected women, who are on average more educated than men, but also by the reduction in the number of low-educated elected men. Quality should therefore be an argument in favor rather than against the introduction of gender quotas. We propose alternative measures of the quality of politicians and several robustness checks to support our results.

The rest of the paper is organized as follows. Section 2 discusses the related literature. Section 3 describes the Italian institutional framework and the data. Sections 4 and 5 present the estimation strategy and the empirical results, respectively. Section 6 discusses the issues of binding quotas and of selection into treatment and control groups. Section 7 analyzes other outcome variables and performs some robustness checks. Finally, Section 8 concludes.

#### 2. Related literature

Our paper crosses and combines two strands of the literature: the one on gender quotas and the one on the selection of politicians.

Starting from the first one, although there is a wide literature on different ways of implementing quotas and on the electoral success of women in legislative bodies (see Krook, 2009), analytical studies on the impact of gender quotas in politics are still few. Some papers focus on the reduction of gender stereotypes (e.g. Beaman et al., 2009). Others (e.g. De Paola et al., 2010; Campa, 2011; Casas-Arce and Saiz, 2011) analyze the impact of gender quotas on female representation. De Paola et al. (2010) show that the introduction of gender quotas in local elections in Italy in the period 1993–1995 increased female presence and, by exposing voters to female leadership, broke down negative stereotypes, generating a higher percentage of elected women, even after termination of the policy. In this paper we study the same policy experiment, but focus on the quality of politicians rather than on the number of elected women. Folke and Rickne (2012) suggest that in

contexts in which political competition is weak, gender quotas may reduce barriers for women to get access to higher political offices. Gender quotas may also have an impact on local policies. Women and men have different preferences both as voters (Edlund and Pande, 2002; Lott and Kenny, 1999; Aidt et al., 2006; Bertocchi, 2011) and as policy-makers. Women seem to prefer a different allocation of public funds, favoring projects that support female needs (Chattopadhyay and Duflo, 2004; Rehavi, 2007; Funk and Gathmann, 2010; Clots-Figueras, 2011) and that provide more public goods (Duflo and Topalova, 2004).

The literature also looks at why gender quotas may be introduced in politics. Maniquet et al. (2008) show that in single-member districts incumbent politicians may want to introduce gender quotas to increase the probability of running against a woman and of being reelected, given voters' bias in favor of men candidates.<sup>1</sup>

Our paper is also related to the growing literature on the selection and quality of politicians. Several contributions emphasize that the association between political competition and politicians' quality is a crucial determinant of the quality of government. Besley and Preston (2007) show how the electoral contestability of a district, in terms of electoral bias in favor of one party, affects policy choices. As politicians' quality is not an easily quantifiable concept, different measures have been proposed in the literature. Galasso and Nannicini (2011) measure quality by years of schooling, previous market income, and local government experience and study the effect of political competition on the quality of government. They find that members of the Italian Parliament with higher ex-ante quality are more likely to run in contestable districts and their subsequent performance is better. Quality is measured by education and occupational qualifications in Kotakorpi and Poutvaara (2011).<sup>2</sup> Using data on Finnish politicians, they find that higher salary attracts better quality female candidates, while no effect is detected for males. Focusing on US mayoral elections in the period 1950–2005, Ferreira and Gyourko (2014) find that female mayors have higher political skills than male, and thus have an advantage as incumbents over comparable male candidates.

Other works show that education is positively correlated with the quality of government and discuss the impact of the latter on economic development (Djankov et al., 2003; Glaeser et al., 2004; Fortunato and Panizza, 2011). Recent studies also show that the identity of leaders, and especially their education, matters for growth (Jones and Olken, 2005; Besley et al., 2011). Gagliarducci and Nannicini (2013) find that better paid politicians are more skilled individuals and that they size government expenditure down. Merlo et al. (2010) show that there is a negative association over time between the salary of Italian politicians and their quality.

To the best of our knowledge, the relationship between the introduction of a law on gender quotas and the quality of politicians has not yet been tested empirically. The only exception is Besley et al. (2013), who construct a new dataset on Swedish municipalities and test the impact of the imposition of gender quotas by the central social-democratic party on its municipality groups on politicians' skills. There are however influential theoretical studies and experimental evidence. Julio and Tavares (2010) challenge the idea – as one could gather from Caselli and Morelli (2004) – that gender quotas in politics may decrease the average quality of politicians by inducing women with lower opportunity cost on the private labor market to become candidates. They argue that this reduction of quality is only a short-term effect, that dominates when the rewards from public office are low, or when they are high but women are significantly more discriminated in the political market than in the labor market. Otherwise, quotas may even

<sup>&</sup>lt;sup>1</sup> Bagues and Esteve-Volart (2012) however provide evidence that challenges this view of the voters' bias in favor of men candidates.

<sup>&</sup>lt;sup>2</sup> These measures may in general raise an issue of representation, i.e. to what extent more qualified politicians are representative of electorate. However, if quality matters for voters, high quality politicians do not necessarily have incentives in contrast with the goal of appropriately representing their electorate.

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