

Contestation of political power in Latin America

UNU WIDER Development Conference – Congreso de Economía Colombiana

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How contested is political power in Latin America?

Traditionally excluded groups are now seizing power...



Rendering political power (very) fluid...

Share of electoral turnovers* in Latin American and the Caribbean elections: 1946-2018



* An electoral turnover is the defeat of the candidate or party representing the incumbency in an election.

Source: Marx, Pons & Rollet (2022). *Electoral turnovers*.

Sample: Presidential and parliamentary elections in 42 LAC countries, 1946-2018.

A disruption with the past...

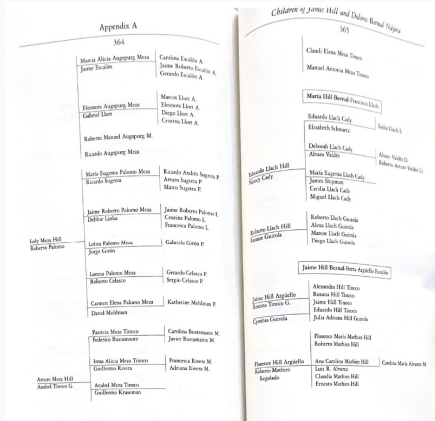


Figure 1: The fourteen families of El Salvador. Source: Paige (1998)

Cuadro V-1		
Diputados y Presidentes en la Descendencia de Juan Vázquez de Coronado*		
Juan Vázquez de Coronado	Rama A:	2 Presidentes, 48 Diputados
	Rama B:	22 Diputados
	Rama C:	1 Diputado
	Rama D:	3 Presidentes, 26 Diputados
	Rama E:	7 Diputados
	Rama F:	21 Diputados
	Rama G:	4 Diputados
	Rama H:	7 Diputados
	Rama I:	1 Presidente, 2 Diputados
	Rama J:	1 Diputado
	Rama K:	1 Diputado
	Rama L:	7 Diputados
	Rama M:	9 Presidentes, 35 Diputados
	Rama N:	1 Diputado
	Rama O:	1 Presidente, 10 Diputados
	Rama P:	2 Presidentes, 23 Diputados
	Rama Q:	4 Presidentes, 12 Diputados
Isabel Arias Dávila	Rama R:	2 Presidentes, 34 Diputados
	Rama S:	1 Diputado
	Rama T:	2 Diputados
	Rama U:	6 Presidentes, 17 Diputados
	Rama V:	1 Presidente, 3 Diputados
Total:		31 Presidentes, 285 Diputados

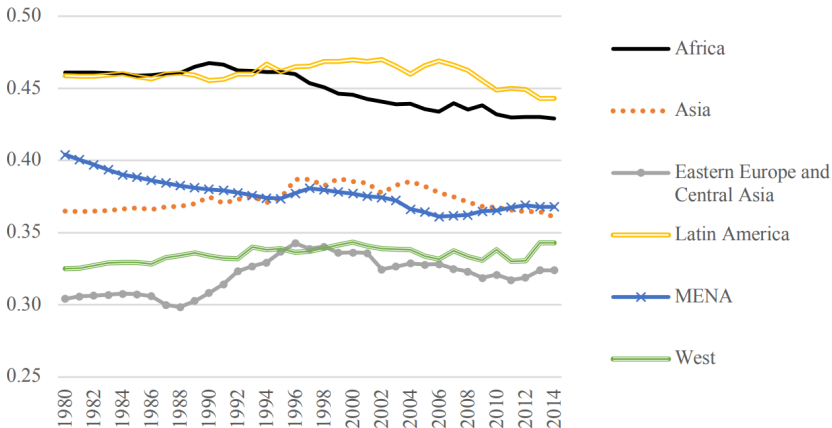
Figure 2: Bloodline of the Spanish conqueror Juan Vásquez de Coronado: a total of 31 presidents and 285 House representatives in Costa Rica. Source: Stone (1975)

Moreover, Latin America has had major advancements in development

- ✓ Structural change withering away of the agricultural sector (as a % of GDP).
- ✓ Massive expansion of democracy and the end of dictatorships.
- ✓ Far more inclusive constitutions, emphasizing rights and recognizing indigenous peoples and minorities.
- ✓ Wide expansion of education.
- ✓ Emergence of civil society.

Yet inequality has remained persistently high despite all these positive changes

Figure 2. Average gini by region, 1980-2014 (unweighted) (GCIP)



Notes: Evolution of GINI index in several regions of the world. **Source:** Simson (2018).

Why might Latin America be so persistently unequal despite political inclusion and major economic advances?

Two (complementary) explanations

- 1) **Democratization has been insufficient** to deliver policies necessary for major changes in inequality. Democracy might be “captured”...
 - i. By pre-democratic elites (as in Ferraz, Finan and Martinez-Bravo, 2020).
 - ii. By new elites as in Robert Michels’ Iron Law of Oligarchy (Heath, 1973, Kelley and Klein, 1981).
 - 2) **Other complementary structural factors:** While democracy may have arrived, other factors...
 - i. Directly set incentives that limit the adoption of good policies and their impact (e.g. clientelism/corruption).
 - ii. Facilitate/incentivize capture by new or old elites thus distorting policies.
- ★ The figures above suggest “old” elites cannot be all the story. More evidence from the case of Colombia...

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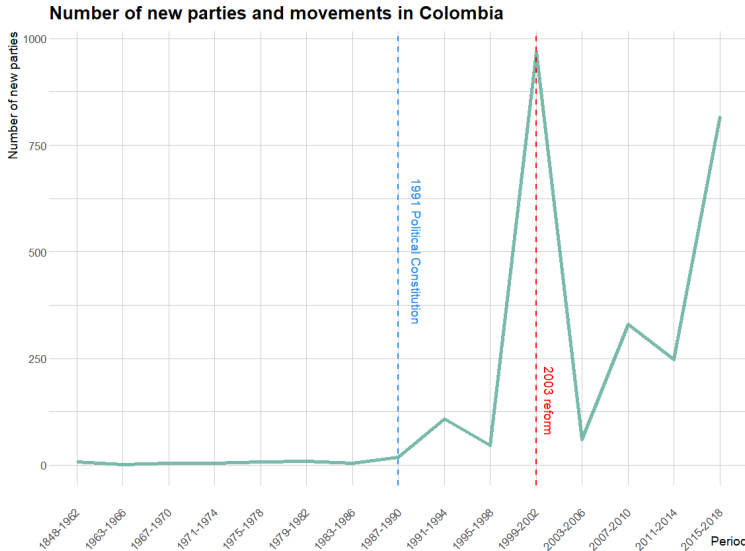
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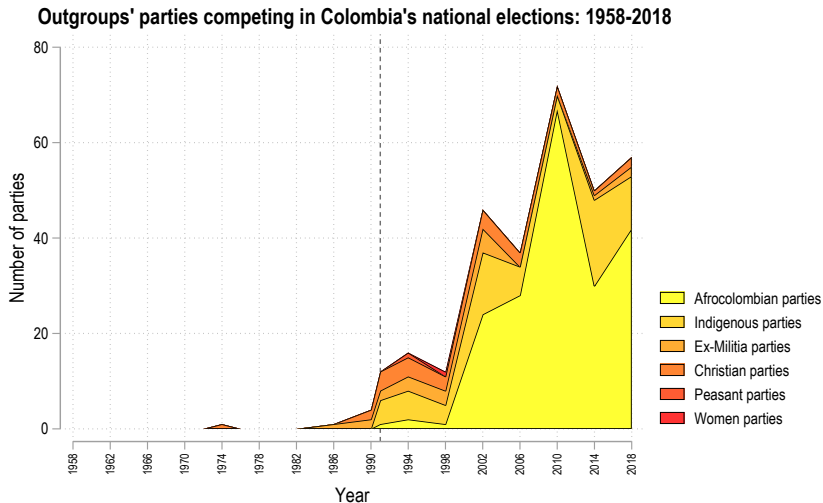
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Many new parties and movements appeared after 1991!



Notes: Evolution of the number of parties in Colombia. Source: Colombia's Election Data Archive.

Plenty of them from historically excluded identity groups...

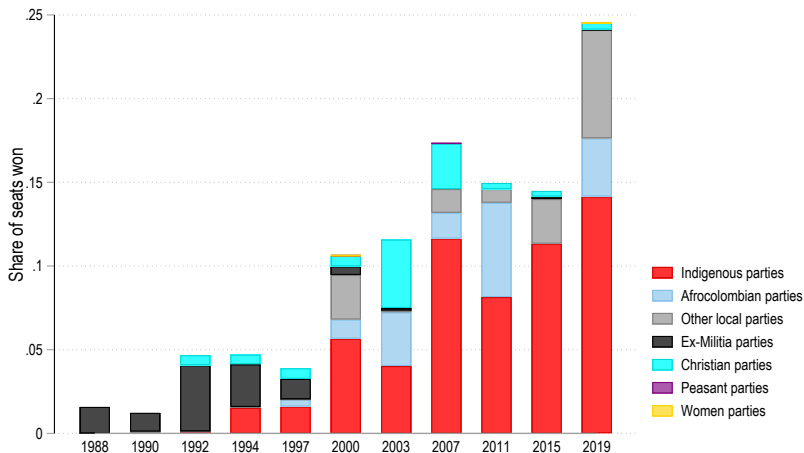


Data sources: CEDE Electoral Bases and Torres (2022).
National elections comprise lower and upper chamber elections and presidential elections.

Notes: Excluded identity groups' parties competing in national elections. **Source:** Colombia's Election Data Archive and Cabra, Wills & Torres (2022).

These groups have seized power (especially locally)!

Seats won by local and outgroups' parties and coalitions in local elections*: 1988-2019



* Local elections are municipal councils and mayor elections.

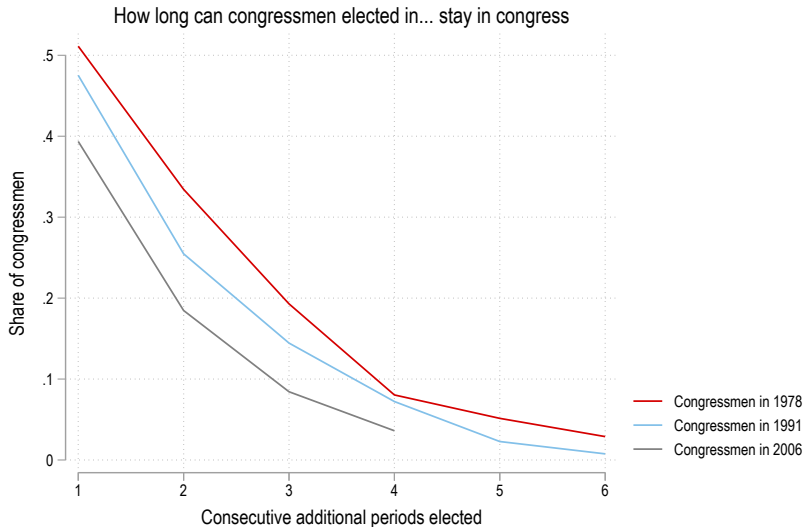
Notes: Evolution of seats won by outgroups' parties in municipal elections. **Source:** Colombia's Election Data Archive and Cabra, Wills & Torres (2022).

Newcomers bring new ideas and topics

	Topics of Legislation		
	<i>Distinctively newcomer</i>	<i>Non-Distinct</i>	<i>Distinctively non-newcomer</i>
1	Environment	Labor	Celebrations, honors and monuments
2	Social security and health	Notarization and registry	Administrative affairs
3	Welfare and poverty	Control organisms and ministeries	International humanitarian rights
4	Public administration	Education, science and technology	Public contracts taxes

Notes: Distinctive topic of legislations in Congress, 2006-2018, following the χ^2 statistic proposed by Gentzkow & Shapiro (2010). **Source:** Congreso Visible.

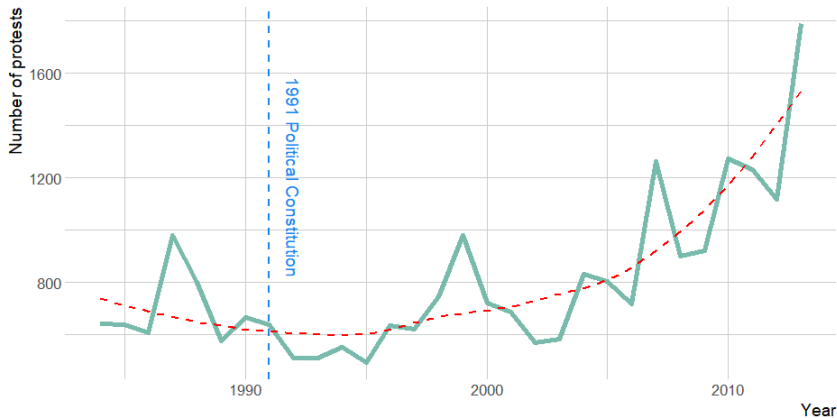
It has become more difficult to stay in power



Notes: Congressmen survival functions in various decades. **Source:** Colombia's Election Data Archive and Torres (2022).

Besides politicians, society is more involved (beyond via elections)

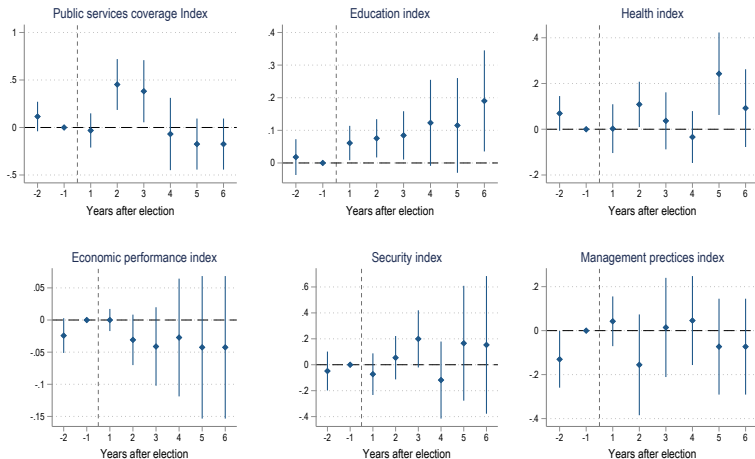
Number of protests in Colombia (1984-2013)



Notes: Evolution of the number of protests in Colombia. Source: CINEP.

Newcomers, nonetheless, have not been able to change developments outcomes much

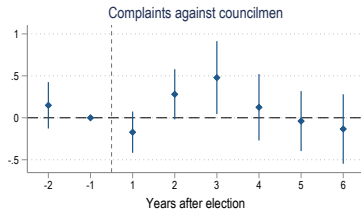
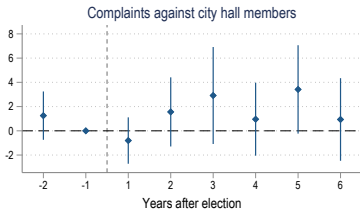
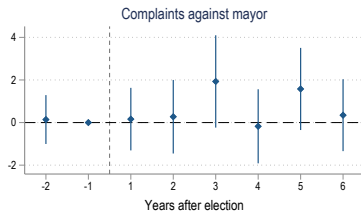
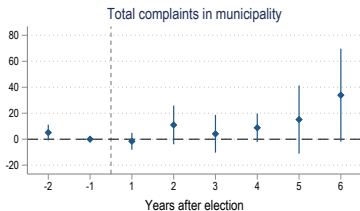
How newcomers' entry shape social and economic outcomes



Notes: The effect of a close win of a newcomer over a mayoral candidate that has public office experience over time on social and economic outcomes. RDD estimate of several indices built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiuk (2014). Standard errors clustered at the municipality level.

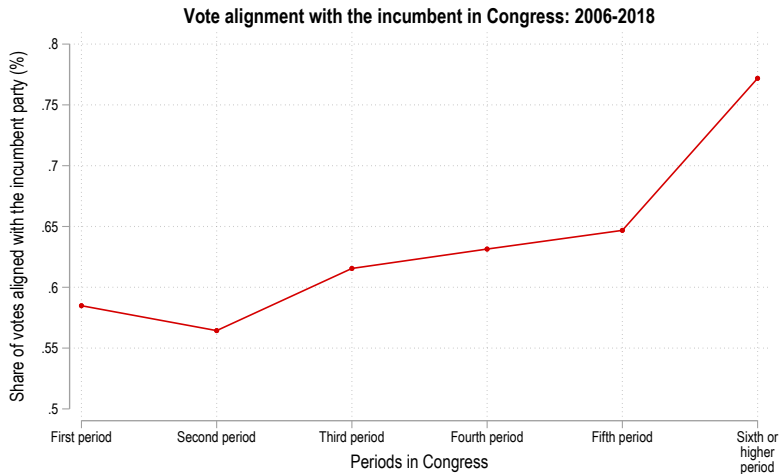
Iron Law? Newcomer mayors are accused of misconduct the same as (or more than) incumbents

Complaints against municipal public servants to the Watchdog agency



Notes: The effect of a close win of a newcomer over a mayoral candidate that has public office experience over time on public complaints. RDD estimate of several indices built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

Iron Law? Newcomers start behaving as incumbents with time

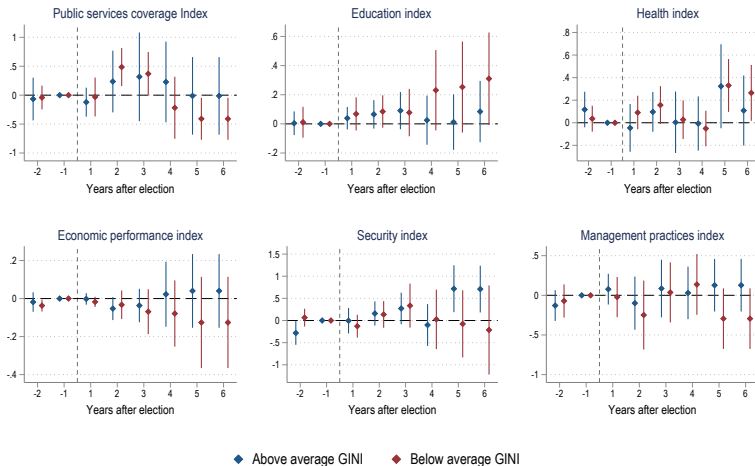


Source: Congreso Visible and Torres (2022)

Notes: Linear panel regression of the degree of alignment with the incumbent in law projects voting on the number of periods a politician has been in congress. The alignment measure follows from Bonilla-Mejía and Morales (2022). Congressmen and legislative period fixed effects.

Structural factors: Inclusion is especially ineffective in places with high inequality

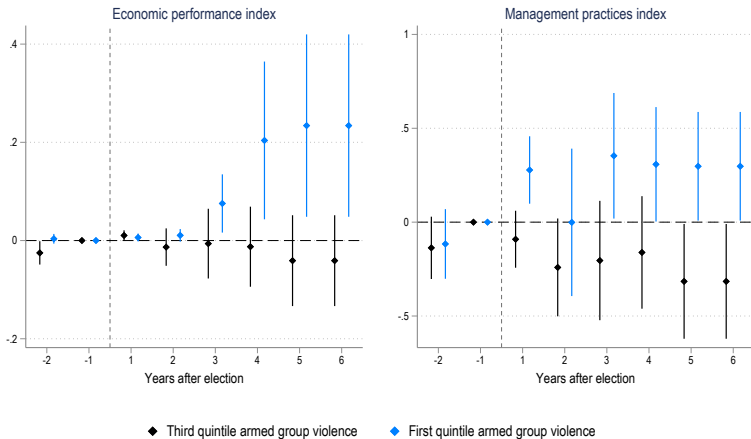
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Structural factors: Inclusion is especially ineffective in places with a failed state

How newcomers' entry shape social and economic outcomes
Armed group violence and state presence



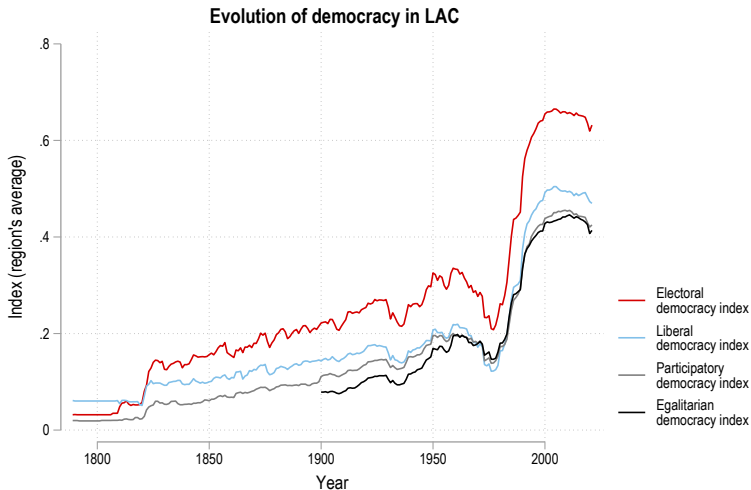
Notes: RDD estimate of several indeces built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiuk (2014). Standard errors clustered at the municipality level. Reference violence is mean number of attacks from armed groups 1990-1999.

Conclusions: The Vicious Circle of Inequality

1. Political systems in LAC have become far more inclusive, more than other regions in the world. This has removed a **huge** barrier to development and **inclusion** in the region.
2. We know **inclusion** is key for equality.
3. But inequality has responded despite other improvements. Why?
4. Our interpretation: the success of political inclusion in expanding public goods rests upon deep-rooted social and economic characteristics.
5. Lower inequality and peace (a minimally functioning state) seem to be prerequisites for political inclusion to pave the way to lower inequality.
6. High inequality really is a **vicious circle**.

Thank you!

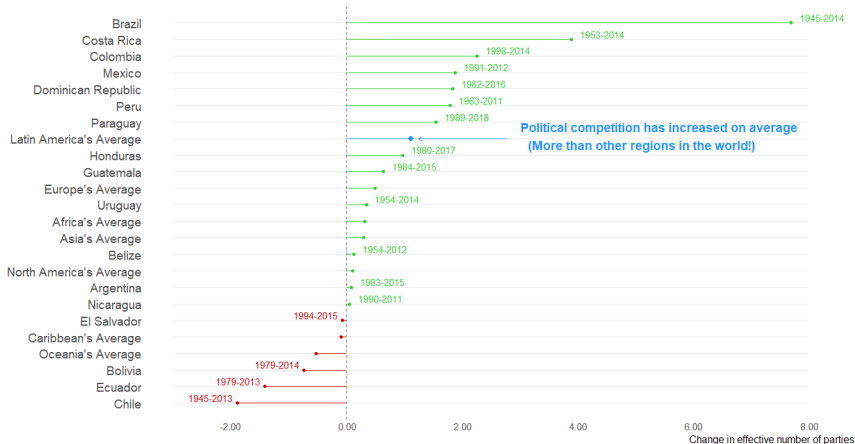
Political competition has grown more in LAC than other countries



Notes: Data from V-Dem.

Political competition has grown more in LAC than other countries

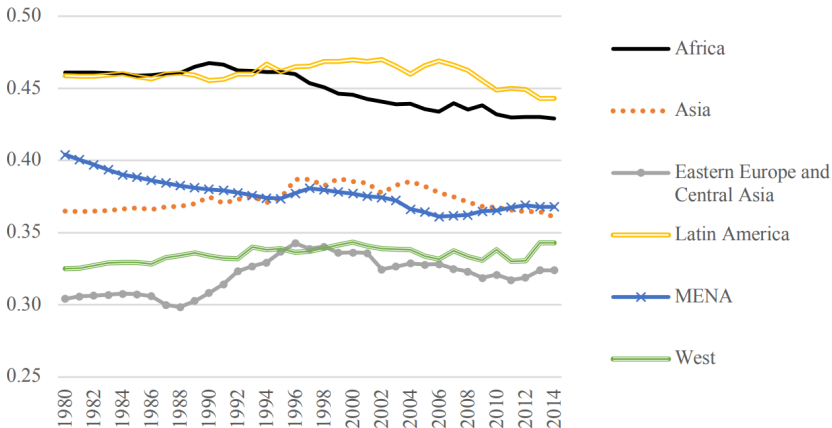
Change in the effective number of parties in lower chamber elections:
Latin America vs. The world



Notes: Data from CLEA.

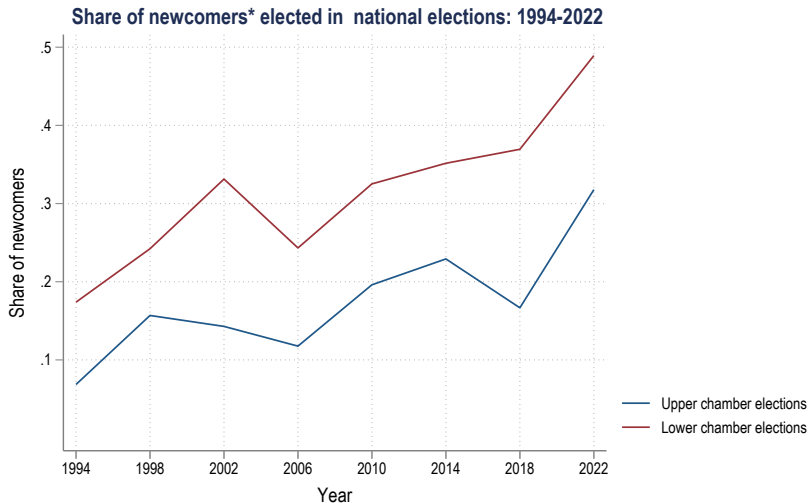
Yet inequality has remained persistently high despite all these positive changes:

Figure 2. Average gini by region, 1980-2014 (unweighted) (GCIP)



Notes: Evolution of GINI index in several regions of the world. Source: Simson (2018).

So that "the same" do not rule anymore



* A newcomer is an individual that has not been elected for any public office.

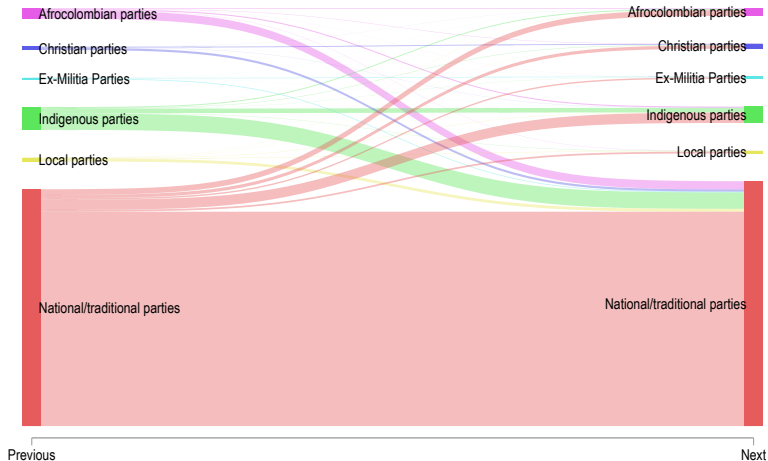
Notes: Share of newcomers elected in national legislative elections. **Source:** Colombia's Election Data Archive and Torres.

Main data sources

- 1) **Colombia's Electoral Data Archive (Barinas, Forero, Ramírez, Sánchez & Torres, 2022):** Contains the votes and winners of all local, regional and national elections held in Colombia since 1958 to 2022.
- 2) **Colombia's Politician Database (Torres, 2022):** Contains the political trajectories and personal attributes of 455,000 candidates to public offices in Colombia, from 1958 to 2022.
- 3) **Colombia's Political Parties Database (Cabra, Torres & Wills, 2022):** Contains all political parties, movements and coalitions that have contested in public elections from 1958 to 2022, their ideology and the identity groups they represent.
- 4) **National Statistics Office:** Contains a broad range of social and economic measures at the municipal level for the period 2000-2020.
- 5) **CINEP:** Contains data of all social protests and demonstrations in Colombia, classified by motive, scope and adversary, from 1984 to 2014.
- 6) **Congreso Visible:** Contains information on all legislative initiatives and law projects issued in Congress from 2002 to 2018. The dataset also has registry of the votes each congressmen cast in each of them.

And identity groups' parties are not that hermetic

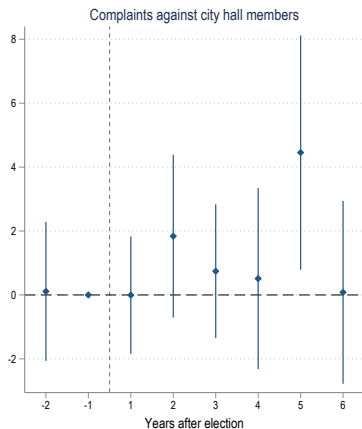
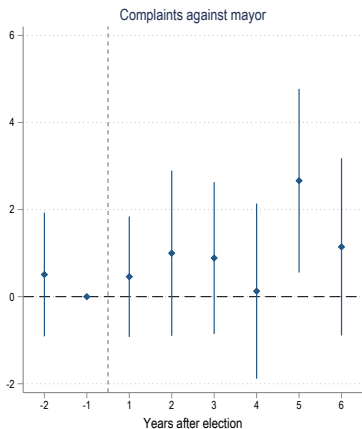
Party flows: 1991-2022



Newcomer mayors are accused of misconduct the same as (or more than) incumbents

Newcomers behavior

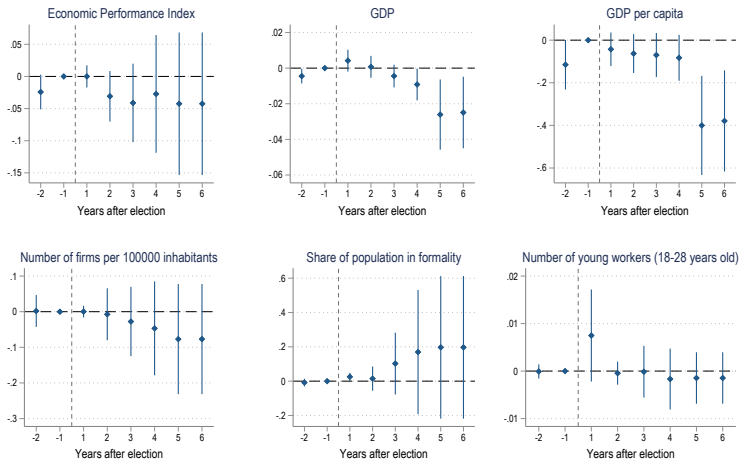
Complaints against mayors in high inequality locations



Notes: RDD estimate of several indices built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

Newcomer mayors have changed some social outcomes but not permanently

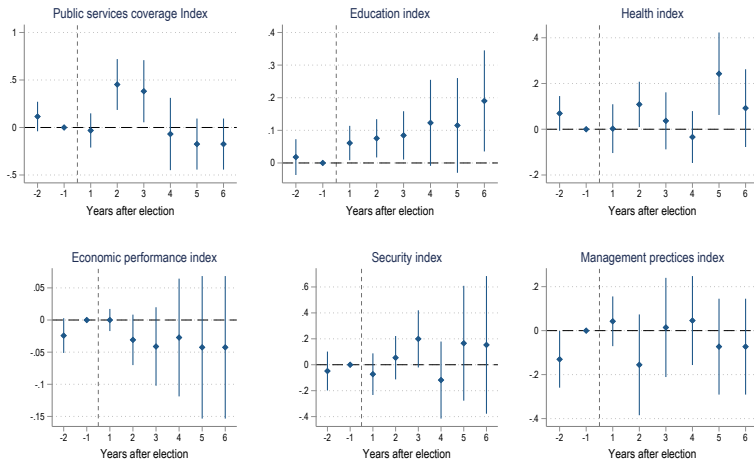
Economics after newcomers' entry



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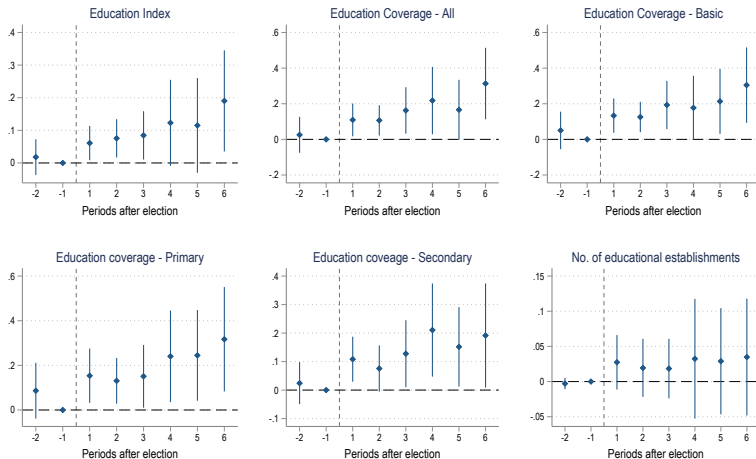
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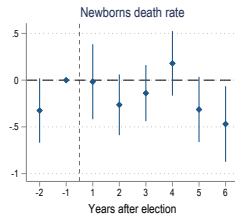
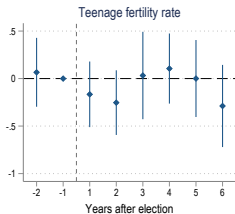
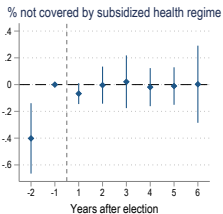
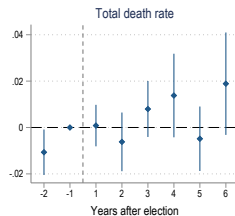
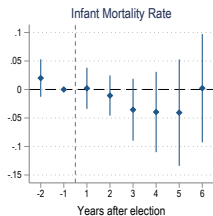
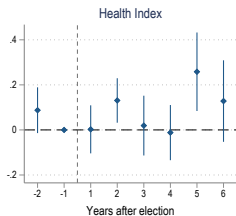
Education after newcomers' entry



Notes: RDD estimate of several indices built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

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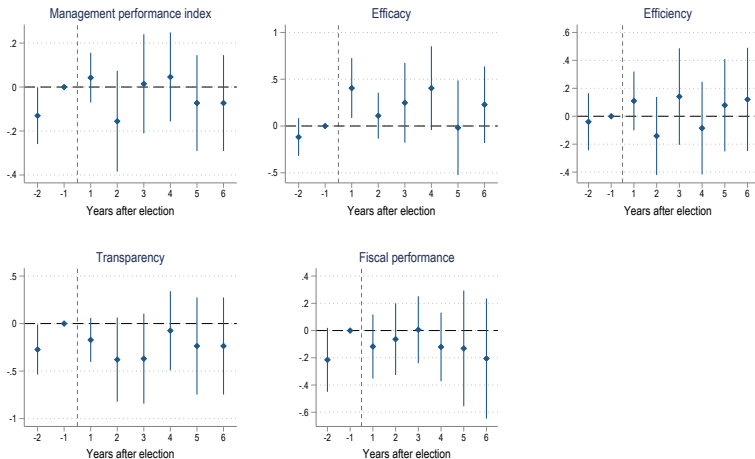
Health after newcomers' entry



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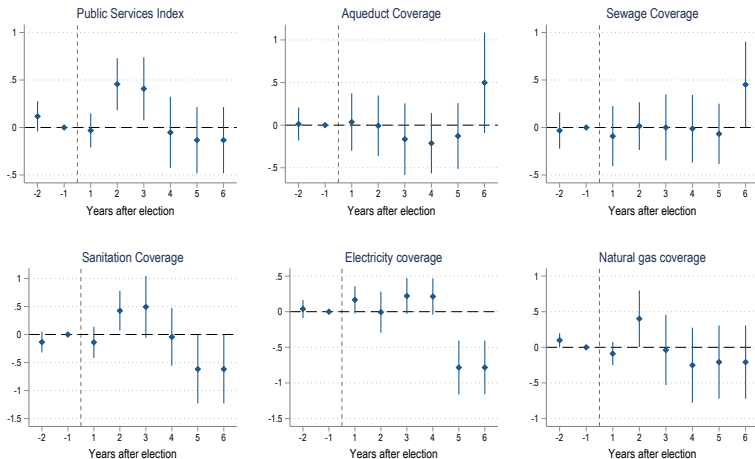
Management performance after newcomers' entry



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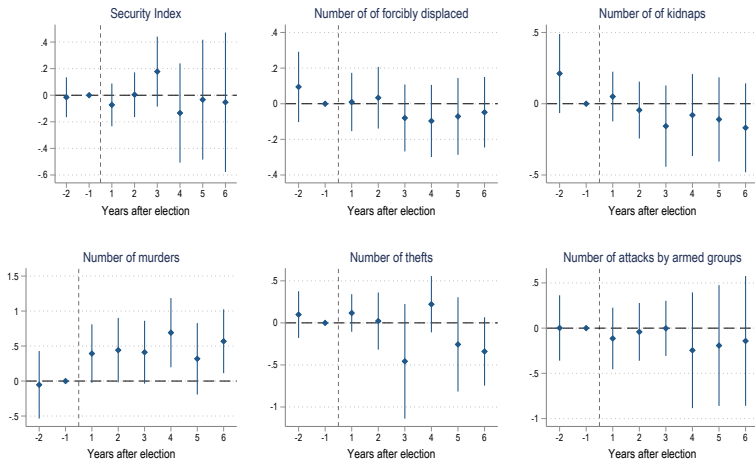
Public services after newcomers' entry



Notes: RDD estimate of several indexes built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

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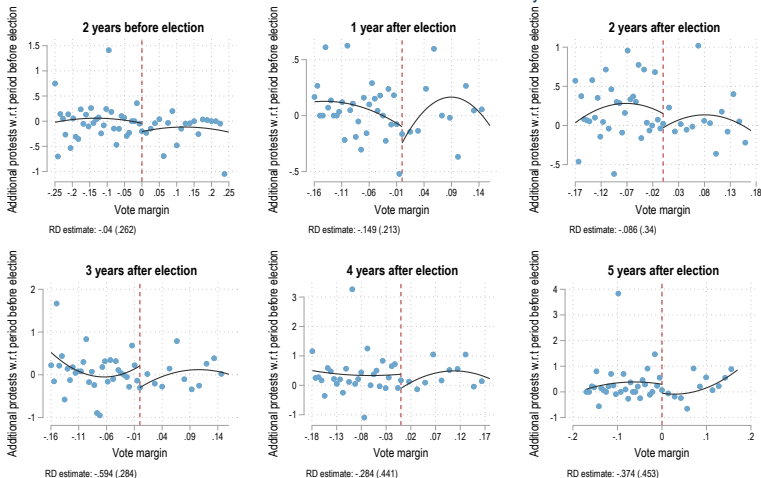
Security after newcomers' entry



Notes: RDD estimate of several indices built following Kling, Liebman and Katz (2007) using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

And inclusion appeases social unrest

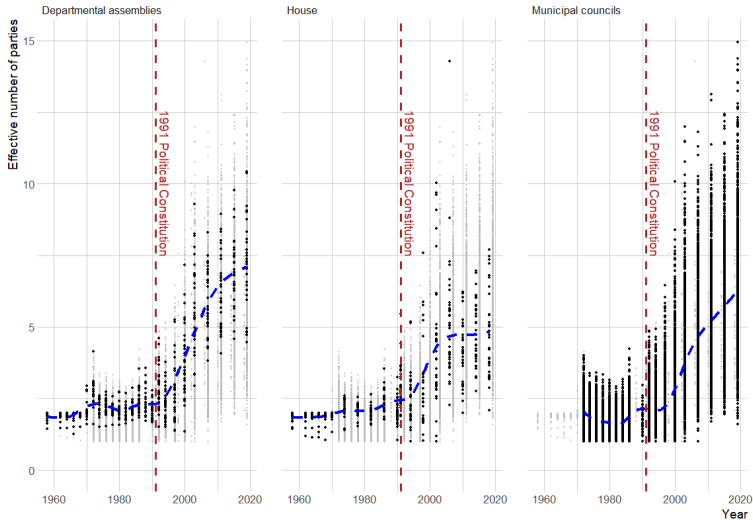
Protests evolution after a newcomer victory



Notes: RDD estimate of the number of protests after the arrival of a newcomer mayor using Calonico, Cattaneo and Titiunik (2014). Standard errors clustered at the municipality level.

But also leading to increased political competition...

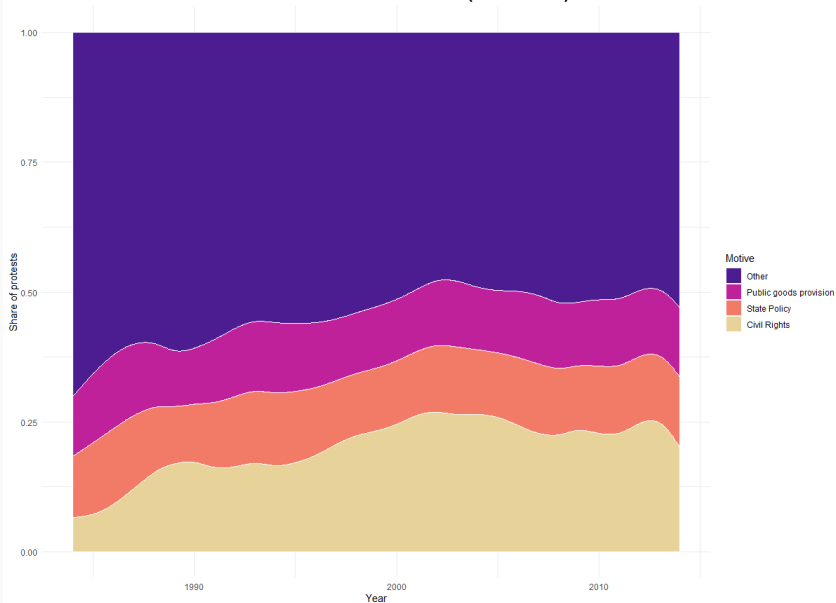
Effective number of parties: Laakso and Taagepera (1979)



Notes: Evolution of effective number of parties. Source: Colombia's Election Data Archive.

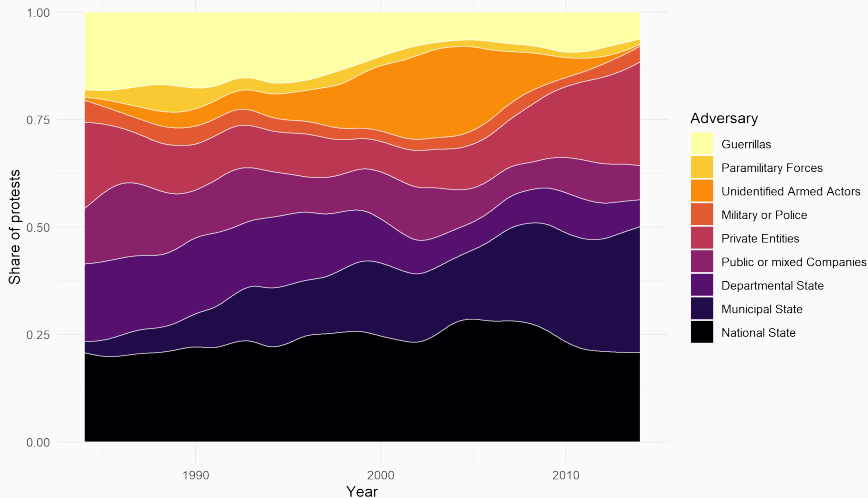
People's motives are changing...

Protests' motives in Colombia (1984-2014)



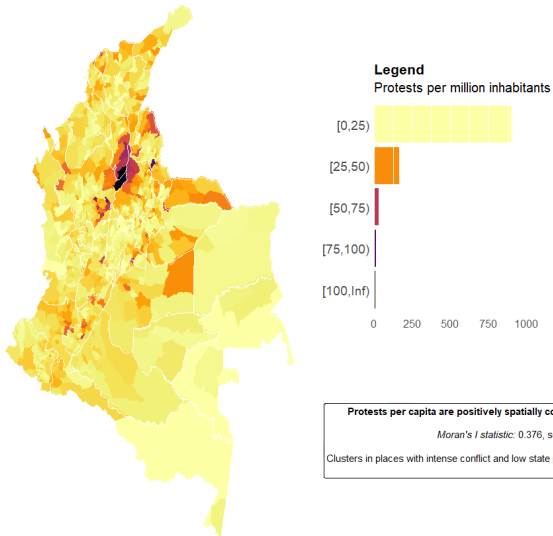
And are demanding more to the state...

Protests' adversaries in Colombia (1984-2014)



Social protests are highly spatially correlated

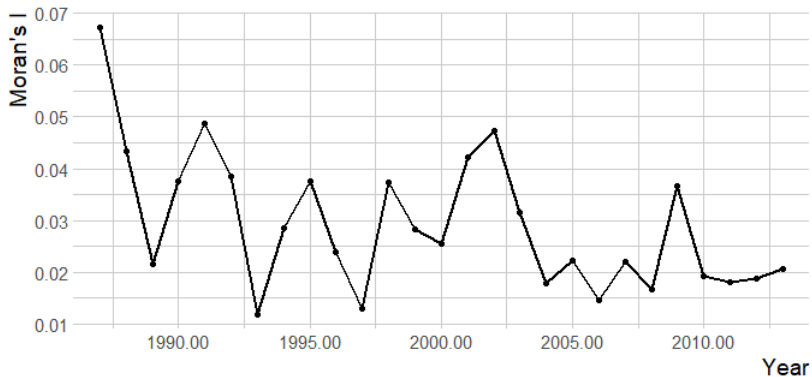
Average yearly protests per million inhabitants - Colombia (1984-2014)



But that correlation is disappearing

Yearly Moran's I for protests-Colombia (1987-2013)

Contiguous spatial weighting matrix



Social surveillance is important for good performance

