



**DO THE
POOR
COUNT?**

DEMOCRATIC INSTITUTIONS AND ACCOUNTABILITY IN A CONTEXT OF POVERTY

Michelle M. Taylor-Robinson

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Abbreviations

CCT	conditional cash transfer program
DM	district magnitude
LB	Latinobarómetro survey
PR	proportional representation
SMD	single member district
SMD-P	single-member-district plurality
WVS	World Values Series survey

Brazil

CPMF	Contribuição Provisória sobre Movimentação Financeira
PFL	Partido da Frente Liberal
PMDB	Partido do Movimento Democrático Brasileiro
PP	Partido Progressista
PSDB	Partido da Social Democracia Brasileira
PT	Partido dos Trabalhadores
PTB	Partido Trabalhista Brasileiro

Honduras

COHEP	Consejo Hondureño de la Empresa Privada
CTH	Confederación de Trabajadores de Honduras
FHIS	Fondo Hondureño de Inversión Social
PARLACEN	Parlamento Centroamericano
PDCH	Partido Demócrata Cristiano de Honduras
PINU	Partido Innovación y Unidad Social Demócrata
PLH	Partido Liberal de Honduras
PNH	Partido Nacional de Honduras

PRAF	Programa de Asignación Familiar
PUD	Partido Unificación Democrática
TNE	Tribunal Nacional de Elecciones

Mexico

PAN	Partido Acción Nacional
PRD	Partido de la Revolución Democrática
PRI	Partido Revolucionario Institucional

Venezuela

AD	Acción Democrática
COPEI	Comité de Organización Política Electoral Independiente

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ONE



INSTITUTIONS, POVERTY, AND DEMOCRATIC CONSOLIDATION

Do the poor count in Latin American politics? As voters, of course poor people count in democratic regimes. Winning poor people's votes can be essential to win elections. But do poor people count after the election—do the officials they helped to elect in fact represent them? This book explores whether, when, and how poor people count. It examines how the limited ability of poor people to monitor government officials, combined with how institutions can constrain the capacity of poor people to sanction, affect legislators' incentives to represent poor people.

Poor people make up a large percentage of the population in many Latin American countries (see table 1.1). There were eighty million "new poor" in the 1980s, and by the early 1990s 46 percent of Latin Americans lived in poverty (CEPAL 1992; Vilas 1997, 21). Following the economic crisis of the 1980s, many people formerly in the middle sectors became impoverished (Goldfrank and Schrank 2006, 13; Roberts and Portes 2006). Poverty rates vary across and within countries, but poor people constitute a large minority, if not a majority, particularly in rural areas. Understanding whether, when, and how poor people count in democratic politics will help explain challenges to consolidating democracy.

One of the problems is that poor Latin Americans typically lack resources that enable the middle class and elites to monitor officials, resources such as education and access to the information it provides (see table 1.2), as well as the means to form interest groups. In addition, institutions can make it difficult for poor people to credibly threaten to use democratic methods to punish elected officials who do not attend to their interests. Other methods to attempt to hold leaders accountable, such as mass protests, are still options for poor people, but they are often very costly to implement, particularly if the state responds to poor peoples' protests with violence. Will elected officials represent

Table 1.1 People living in poverty in Latin American democracies

	Human Poverty Index 2003 ^a	2004 % of population ^b		2004 poverty rate ^b	
		Living in extreme poverty	Living in poverty	% of urban population	% of rural population
Nicaragua	24.3	42.3 ('01)	69.3 ('01)	63.8 ('01)	76.9 ('01)
Guatemala	22.9	30.9 ('02)	60.2 ('02)	45.3 ('02)	68.0 ('02)
Honduras	19.9	53.9 ('03)	74.8 ('03)	62.7 ('03)	84.8 ('03)
El Salvador	17.2	19.0	47.5	41.2	56.8
Bolivia	14.6	34.7 ('03)	63.9 ('03)	53.8 ('03)	80.6 ('03)
Dominican Republic	13.9	29.0	54.4	51.8	59.0
Ecuador	11.9	22.3	51.2	47.5	58.5
Brazil	11.4	12.1	37.7	34.3	54.1
Peru	11.4	18.6	51.1	43.1 ('03)	76.0 ('03)
Paraguay	10.3	36.9	65.9	59.1	74.6
Mexico	8.8	11.7	37.0	32.6	44.1
Venezuela	8.6	19.0	45.4	—	—
Colombia	8.2	24.2	51.1	49.8	54.8
Panama	7.8	14.8	31.8	22.4	47.9
Costa Rica	4.4	8.0	20.5	18.7	23.1
Chile	4.1	4.7 ('03)	18.7 ('03)	18.5 ('03)	20.0 ('03)
Uruguay	3.6	—	—	20.9	—
Argentina	—	—	—	29.4	—

SOURCE: column 1: UNDP 2003; columns 2–5: USAID and ECLAC, <http://qesdb.usaid.gov/lac/index.html>, accessed October 4, 2007.

^a Human Poverty Index “measures poverty in developing countries. It focuses on deprivations in three dimensions: longevity, as measured by the probability at birth of not surviving to age 40; knowledge, as measured by the adult literacy rate; and overall economic provisioning, public and private, as measured by the percentage of people not using improved water sources and the percentage without sustainable access to an improved water source and the percentage of children underweight for age” (UNDP 2003, 61).

^b Data for 2004 unless otherwise noted in parentheses.

poor people without the threat of being held accountable for their actions? When officials do work to provide representation to poor people, what form is that representation likely to take?

This is a study about representation, and in particular it asks if members of what is supposed to be the *representative branch* of government, the congress, have an incentive to represent poor people after Election Day. If the answer is “no,” and poor people only matter while politicians and parties are giving them small “payments” (e.g., a bag of food, construction materials, a dental checkup at a campaign rally) to “buy” their vote, then poor people only receive attention from government for a short period, leading to a *representation gap* in democratic regimes. The extreme case of a representation gap

Table 1.2 Human development in Latin American democracies

	Human Development Index (HDI) 2007 ^a	Adult literacy 2007 (% age 15 & over)	Gini index ^b	Internet users per 1,000 2005
Chile	0.878	96.5	52.0	172
Argentina	0.866	97.6	50.0	177
Uruguay	0.865	97.9	46.2	193
Costa Rica	0.854	95.9	47.2	254
Mexico	0.854	92.8	48.1	181
Venezuela	0.844	95.2	43.4	125
Panama	0.840	93.4	54.9	64
Brazil	0.813	90.0	55.0	195
Colombia	0.807	92.7	58.5	104
Ecuador	0.806	91.0	54.4	47
Peru	0.806	89.6	49.6	164
Dominican Republic	0.777	89.1	50.0	169
Paraguay	0.761	94.6	53.2	34
El Salvador	0.747	82.0	49.7	93
Honduras	0.732	83.6	55.3	36
Bolivia	0.729	90.7	58.2	52
Guatemala	0.704	73.2	53.7	79
Nicaragua	0.699	78.0	52.3	27

SOURCE: UNDP 2009, table H, 171–73; *ibid.*, table M, 195–97; <http://hdrstats.undp.org/en/indicators/147.html>, accessed April 22, 2009.

^a Human Development Index is a composite of three components of human development: health (measured as life expectancy at birth), knowledge (based on the adult literacy rate and combined primary, secondary, and tertiary enrollment ratio), and standard of living (GDP per capita) (UNDP 2007).

^b Gini index “measures the extent to which the distribution of income (or consumption) among individuals or households within a country deviates from a perfectly equal distribution. . . . A value of 0 represents absolute equality, a value of 100 absolute inequality” (UNDP 2007, 366–67).

is where elites and the middle class are the only sectors of the population who can form interest groups to monitor government and sanction if policy moves too far from their preferences, thereby enabling them to be represented by the officials and parties they elect. In that extreme scenario, poor people are only represented when their votes are needed. At other times, their inability to monitor and sanction means that accountability—a hallmark of democratic government—does not work for poor people, and they do not receive representation because they cannot both observe and punish elected officials who ignore their needs. Poor people only receive representation after Election Day if an official or party coincidentally wants the same policies as poor people. Politicians can work on policies that represent small elite sectors of society because they are not concerned that poor people will hold them accountable.

The Main Argument

The main conclusion of this book is that the representation poor people are most likely to receive from their elected representatives is “clientelistic representation,” but that even clientelistic representation may not be guaranteed. Clientelistic representation takes the form of both particularistic benefits for individuals and local infrastructure projects for a community of loyalists. This characterization of clientelistic representation is consistent with Kitschelt’s (2000, 850) description of the difference between clientelist and programmatic types of citizen-elite linkage. Clientelistic politicians and parties “specialize in club goods and selective incentives,” while programmatic parties “disperse rents as a matter of codified, universalistic public policy applying to all members of a constituency, regardless of whether a particular individual supported or opposed the party that pushed for the rent-serving policy” (ibid.; see also Kitschelt and Wilkinson 2007, 11–12; Magaloni, Diaz-Cayeros, and Estévez 2007; Hagopian 2009). A local infrastructure project may be designed to be excludable, as a club good, rather than a benefit for all members of a community. If demand to use the facility, for example a school or clinic, exceeds its capacity, politicians can use excess demand as an excuse to determine whose children get to attend the school or who receives an appointment with the clinic doctor, and only clients will benefit. Honduran deputies showed me letters they write to get a constituent/client an appointment with a social security doctor, and explained that while schools are free, poor families need scholarships to buy uniforms and school supplies. Desposato (2007, 110) describes the same behavior by state legislators in Piauí, Brazil’s poorest state and one that has a strong clientelist tradition. A politician or party that utilizes clientelist linkages with citizens would ideally provide local public works projects to communities of loyalists where no excludability mechanism is needed, and such a project may be an efficient way to reward electoral support by overwhelmingly loyalist communities.¹ Still, politicians can be creative and

1. Cleary and Stokes (2006, 52) describe the PRI (Partido Revolucionario Institucional) using public works to intimidate voters in Mexico’s Puebla state: “The PRI has not foresworn its traditional methods of clientelist mobilization and voter intimidation . . . it remains common practice for the PRI to threaten voters by claiming that if their neighborhood or town does not vote for the PRI, the government will withhold public services or halt public works projects.” Cleary and Stokes (2006, 10) define clientelism more narrowly than I define “clientelistic representation.” They view clientelism as “the trading of votes and political support in return for small, private payoffs to voters,” but their case studies indicate that public works projects are used by parties to reward party loyalists, and that a community can also be intimidated by the threat of losing a service.

use some types of public works projects to reward supporters even in more diverse communities by designing the good to exclude nonsupporters, while the politician or party can still point to their local development accomplishments. As Roniger and Günes-Ayala (1994, vii) explain, “In societies laden with social inequalities, public policies—whether distributive, regulative, or extractive—are potentially discretionary and thus open to clientelistic use and abuse.”

Clientelistic representation falls far short of the policy representation we commonly think that democratic accountability should prompt elected officials to provide. Poor people often lack the resources to monitor the policy activities of their elected representatives, and they are unlikely to value promises of policy benefits or claims that “I am working on policy *X* for you” because of their many past disappointments when politicians made policy promises and did not deliver. Unless they receive benefits from a policy before the next election, poor people are unlikely to reward representatives who say they are working on policy, even if the claim is true.²

There are two components to why poor people are unlikely to be able to hold officials accountable. First is the limited monitoring capability of poor people, particularly for monitoring what goes on inside the legislature (as well as the executive branch and government agencies). Second is that institutions in many Latin American countries (electoral rules, nomination procedures, and clientelism) make it personally very costly for a poor person to try to sanction policy work that does not represent their interests, and a sanction is unlikely to actually punish an official unless many frustrated people sanction at the same time. High sanctioning cost is another reason poor people may not bother to monitor. The result is that poor people are only likely to get policy representation from a legislator who happens to want the same policy as them; policy representation will not be forthcoming from the threat that officials not delivering policy for the poor will be held accountable. Yet even when a representative wants the same policy that poor people want, policy representation is not assured. The legislator must find a way to get the policy adopted and implemented before the next election so that poor people will want to reelect the official as a reward, and such policy work may encounter opposition from groups who have both a greater capacity than poor people

2. Poor people also often lack information to assess the likely benefit they would receive from a policy if it is enacted, or whether the bureaucracy will faithfully implement the policy. These problems give poor people more reasons to devalue policy promises.

to monitor what officials are doing and more ability to sanction policy work they oppose.

Clientelistic representation is simple for poor people to monitor. They can ask themselves if they received a personal benefit, or they can look at their community to determine if a public works project was built and they were able to use it. The first part of the accountability mechanism works for clientelistic representation. But if institutions make it personally costly for a poor person to sanction, a representative is unlikely to be punished for not delivering enough clientelistic representation. Thus poor people may not have a credible capacity to hold their elected officials accountable to deliver clientelistic representation. But there is a danger to legislators and parties that do not provide at least some clientelistic representation to poor people (i.e., the amount of clientelistic representation poor people have become accustomed to receiving from government). The danger is that poor people may become so frustrated with incumbents and their traditional parties that it becomes rational to sanction even if an individual's sanction will not punish the official or party. They are not going to lose nonexistent benefits of having a clientelistic connection to a politician or party, so why not take away their vote? If many poor people reach this conclusion, a traditional caudillo or party can lose an election. In sum, a legislator (or traditional party) runs a risk of being sanctioned by poor people who receive no representation and have no reason to think that they will receive benefits in the next term (if their party or representative was in the opposition during the current period). The sanction will only work if many frustrated people (not necessarily all poor) vote against the politician or party in the same election, so it is difficult for a strategic legislator to gauge how much clientelistic representation needs to be delivered to avoid a successful sanction, but the danger exists. Clientelistic representation, even though it does not fit conventional images of all that democracy should be, may keep a representation gap for poor people from eroding into a representation crisis, and thus may be a key to stability in a democracy where many people are poor (see Kitschelt 2000, 851–52, 873).

In Latin America, there is ample evidence of frustration with democratic institutions, established parties, and elected officials. It is not just poor people who are dissatisfied, as seen in the negative evaluations repeatedly reported by surveys (Lagos 2003, 144–45; Hagopian 2005; Seligson 2007, 89) (see table 1.3). In the 2005 Latinobarómetro survey conducted in eighteen Latin American countries, 86 percent of respondents said that political leaders are “not at all” or “only a little concerned” about the issues that interested them.

Table 1.3 Confidence in democracy and democratic institutions in Latin America (percentages from all Latinobarómetro surveys)

	1996	1997	1998	2000	2001	2002	2003	2004	2005	2006	2007
Satisfaction w/democracy (very or fairly satisfied)	27	41	37	37	25	33	29	29	31	38	46
Democracy is preferable to any other kind of government ^a	61	63	62	57	48	56	53	53	53	58	55
A lot or some confidence in:											
National congress	27	36	27	28	24	23	17	24	28	28	29
President	—	39	38	39	30	—	31	37	43	47	43
Judiciary	33	36	32	34	27	25	20	32	31	36	30
Political parties	20	28	21	20	19	14	11	18	19	22	20
Number of respondents	18,717	17,767	17,907	18,135	18,135	18,552	18,658	19,605	20,206	20,232	20,212

SOURCE: Lagos 2003, tables 7.2 (p. 145), 7.4 (p. 151), and 7.5 (p. 155); Latinobarómetro Report 2005, 56–60; Latinobarómetro 2006 and 2007 surveys.

^a This question measures overt support for democracy, but it may include support for inconsistent or undemocratic values, such as the president controlling the media, governing without congress, or going beyond the law (Carlin 2006, 55–56).

Latinobarómetro in its 2005 report concludes that “the Achilles heel of representative democracy is precisely representation” (42). Electoral volatility is another indicator of voter frustration (Mainwaring, Bejarano, and Pizarro Leongómez 2006); in electoral districts where a majority of the potential electorate is poor, this can be interpreted as popular sector dissatisfaction.³ Yet in some poor countries, traditional parties have maintained their dominance, and consequently seat volatility in the legislature is low. Seligson (2007, 95n14) notes that poor people’s support for populism varies across countries. Development of theory to understand these cross-national differences is this book’s objective. The theory posits that electoral institutions, nominations, and forms of clientelism interact to affect the cost to poor people of sanctioning, and thus when and how institutions give legislators incentives to represent poor people.

Institutions and Incentives for Representation

A key argument of this study is that it is not one but a *combination* of institutions that influences the sanctioning capability of poor and rich people and that constrains and influences the representation strategies that legislators can adopt. Multiple institutions create the political context of a polity, and institutions can “emerge at different times and out of different historical configurations” (Thelen 1999, 382). If we only considered one type of institution and the incentives it created (say electoral institutions), we would have an incomplete picture. Citizens must choose to expend effort on monitoring; but if they do choose to be so engaged, the institutions of their country will constrain their capacity to sanction. Legislators make choices about how they will do their jobs, and their choices are shaped by their institutional context. Experience with institutions creates expectations about the kind of job that legislators ought to do, such as whether they should check the president or be a local patron (Hall and Taylor 1996; Katznelson and Weingast 2005). For example, Desposato (2007, 118–19) shows how in Brazil, “even under virtually identical institutional environments, legislators can adapt fundamentally different political strategies in response to societal variables.”

The institutions influencing sanctioning that I focus on are election rules, nomination procedures, and forms of clientelism. I introduce each briefly

3. Imputing the opinions of poor individuals from aggregate data risks ecological fallacy. But in districts where the vast majority of people are classified as poor by a country’s census, it is less risky as the poor are almost all the people who could vote in those districts.

here. Election rules affect the sanctioning capacity of voters (poor and rich) because some types of ballots allow voters to select (reward or sanction) a specific candidate, while others require the voter to select only a party. Election rules influence a career-seeking legislator's strategy by creating incentives to seek a personal or a partisan vote (Mayhew 1974; Lancaster 1986; Cain, Ferejohn, and Fiorina 1987; Carey and Shugart 1995). While clientelism and personal vote seeking are not the same, electoral rules that create personalizing incentives are a common explanation for why and when politicians set up clientelist linkages with citizens (Kitschelt 2000, 852, 859). Other aspects of electoral rules, such as whether reelection is permitted, whether candidates can run as independents, and whether voters can split their ballot, also constrain legislators' strategies and influence citizens' capacity to hold their elected officials accountable.

Nomination procedures also affect the ability of poor and rich people to hold their elected officials accountable and influence the representation strategies legislators adopt. Candidates can be selected by voters in primaries, by local party organizations, at a party convention, or by national party leaders. If local primaries select nominees, a legislator has an incentive to represent the average primary voter to insure renomination (Fenno 1978). Where national party leaders select candidates, only people who have influence with those party elites can sanction or reward legislators at the nomination stage. Candidate recruitment and selection procedures influence the types of candidates who are likely to be selected by parties (Siavelis and Morgenstern 2008a). For example, if party leaders place local patrons in electable positions on the party list (expecting that the local patron will deliver their clients to vote for the party), nomination procedures can be an explanation for when politicians emphasize clientelist linkages with citizens.⁴

Informal institutions, such as clientelism, also influence the strategies of citizens and legislators (Kitschelt 2000; Desposato 2001; Taylor-Robinson 2006a; Kitschelt and Wilkinson 2007; Magaloni, Diaz-Cayeros, and Estévez 2007; Remmer 2007). Informal institutions are "socially shared rules, usually unwritten, that are created, communicated, and enforced outside of officially sanctioned channels," and they interact with formal institutions in various ways, such as modifying or filling in gaps in the incentives created by formal institutions

4. An "electable" position on a party list is one that the party is likely to win, particularly if the party does well in the election. Electable positions can be contrasted with "safe" positions—those that are sufficiently high up the list that the party can expect to win them even in an election where the party loses some of its typical support.

(Helmke and Levitsky 2004, 727). Voters can also be clients, and legislators can also be patrons. A local patron may be motivated to seek a seat in the legislature as a way to obtain resources for maintaining and attracting more clients. Poor people can easily monitor whether a patron/legislator delivered clientelistic benefits, but the nature of the clientelism institution affects the capacity of poor clients to sanction a patron who does not deliver. If clientelism works through party clientele networks, a poor person must sever a party network connection and set up a connection with a new network to obtain a new patron, so the number of available networks influences how costly it is for a poor person to sanction. If access to state resources for clientelism is likely to be limited to legislators belonging to the governing party, the viable patron alternatives for a client who is dissatisfied are limited, making it less feasible to sanction.

Incentives for legislators to act as patrons can come from multiple sources. As noted above, election rules or nomination procedures can prompt aspiring politicians to seek the backing of poor voters by offering selective material incentives to establish clientelist linkages (Kitschelt 2000; Desposato 2001).⁵ Incentives to behave as a patron can also have a sociological, economic, or historical basis, where people have learned to connect themselves to a patron or broker to address their personal, business, or community needs, in particular to help themselves be recipients of state resources under conditions of resource scarcity (Valenzuela 1977). Where clientelism is part of the people's experience, politicians can be motivated to behave as patrons, even in the absence of personalizing electoral rules. Kitschelt (2000) reviewed various explanations put forth in the literature for why parties and politicians adopt clientelist or programmatic linkages: socioeconomic development, state formation and democratic suffrage, democratic institutions (electoral rules, executive-legislative relations, federalism), political-economic theories, and fundamental ideologies and ethno-cultural identities. He concludes that there are multiple causes for clientelist linkages, noting that "the choice of linkage mechanisms is not just predicated on formal democratic institutions but also on substantive economic and political power relations," and that "the institutional mechanisms that promote clientelist or programmatic linkage strategies

5. Patrons working in a democracy must find ways to monitor clients when ballots are secret. In chapter 2 I discuss ways patrons and patronage-based parties have developed to police the behavior of clients.

may be at least in part endogenous to such power relations” (ibid., 872; see also Boix 1999; Desposato 2007; Kitschelt and Wilkinson 2007, 42–43; Scheiner 2007).⁶

Institutions affect citizens’ ability to punish politicians. Institutions also influence politicians’ identities, self-images, and preferences for why they want to be in office, and place constraints on politicians’ behavior. For example, in a society where people have more experience using clientelism as a means of addressing personal needs than they do using the ballot box, clientelism may prompt local patrons to seek a congressional seat—not to shape national policy, but to obtain access to state resources so that they can expand their local client base and their local status as a powerful patron. In a similar setting, politicians seeking congressional seats for the purpose of shaping policy may view clientelistic representation as the cheapest way to maintain the support of enough poor voters to obtain their party’s nomination or to win election.

The institutions literature is underdeveloped with respect to the nature of the relationship between the elected official and the constituency. Whose interests should elected officials represent if citizens are heterogeneous in terms of their capacity to monitor and sanction? Who will legislators represent if the policy and service preferences of (some) constituents and party leaders conflict? Will a legislator represent all the people of the district, major campaign contributors, organized interest groups, party supporters, or clients? Where party leaders control nominations, whom do party leaders want backbenchers to represent and what form do they indicate representation should take? Do party leaders reinforce the “mobilization of bias” produced by formal institutions designed to favor the interests of traditional elites? Do they reward clientelistic representation over policy representation? Rational choice institutionalism tacitly assumes a more or less level playing field, one where all voters can hold legislators accountable. But to what interests will legislators respond in a society that is starkly unequal and where the playing field is anything but level?

6. These other explanations may motivate politicians to act as patrons and motivate parties to set up clientelist linkages in countries where electoral systems would not lead us to expect clientelist linkages (e.g., Austria, Belgium, Italy, Venezuela; for discussion of those cases, see Kitschelt 2000). They can also explain variance in support for clientelism in a country when electoral rules are the same across subnational units (Cleary and Stokes 2006, on Mexico and Argentina; Scheiner 2007, on Japan).

If party competition presents voters with genuine choices (i.e., parties offer different policy/service packages, covering the full range of citizen preferences), and diverse parties have a realistic chance of winning elections or becoming part of a coalition government, then over time all groups should have their interests represented.⁷ If, however, the same party is in power for many years, or parties alternate but address the same limited subset of interests, then it is important to understand which groups officials from those parties have an incentive to represent.⁸ If parties are only attentive to certain sectors of society, then legislators are only likely to represent those favored sectors if they want to build a career, thereby producing a representation deficit that impedes the deepening of democracy.

Certainly, institutions are not the only reason the poor often are not represented in Latin American democracies. A history of elite dominance of politics creates the expectation that politics does not work for the poor, and promotes a political apathy and fatalism that—particularly when paired with the lack of tools, such as education, that aid political participation—is hard to overcome. But institutions can create real obstacles to the representation of poor people by limiting their capacity to sanction. The literature about democratic accountability expects that elected officials will represent actors who can monitor their actions and who have the resources to sanction those who do not represent their interests (Fearon 1999; Ferejohn 1999; Rubenstein 2007). This book, therefore, examines the monitoring abilities of different socioeconomic groups and how institutions affect their sanctioning capacity, as well as how those groups and institutions influence legislators' identities and the strategies they adopt to achieve their political goals.

The remainder of this chapter lays out important themes of the book, and then provides an overview of the rest of the chapters. First, I explain my choice to focus on incentives that members of congress have to represent poor constituents. Then I consider how poverty affects democratic accountability, how the concept of representation can be applied to democratic politics in a context of poverty, and how poverty and consolidating democracy are related.

7. It is unclear in multiparty systems whether citizens can determine which party to hold responsible for policy decisions or outcomes they do not like (Powell 1989).

8. If voters do not have the choice to vote for candidates or parties with policy and service stances close to their preferences, then citizens cannot control government. All people can participate in elections, but due to limited electoral choices, an electoral mandate model of representation and accountability will not work (Powell 1989, 121). See Lukes (1974, 2005) and Bachrach and Baratz (1970) for discussion of how power is exercised in such systems.

Why Focus on the Legislature and Legislators?

This book studies incentives for legislators because the legislature is intended to be the representative branch of government, though in Latin America legislatures are often viewed with distrust. Latin American politics has little empirical knowledge about “the relationship between voters and parties or elected politicians” (Mainwaring, Bejarano, and Pizarro Leongómez 2006, 3). Many countries have made what should be important reforms to how legislators are elected, in order to try “to reshape the terms of the relationship between governments and citizens,” but these measures have not generally been successful (Crisp 2006, 204). This study argues that part of the difficulty in strengthening the link between legislators and citizens may be that electoral rules are only part of how that link is created. Other institutions, such as clientelism and how candidates are nominated, may also play a role.

Descriptively, the legislature is relatively diverse compared to the executive and judicial branches. Its membership tends to have greater gender and ethnic variety. The legislature gives opposition parties at least some access to policymaking and overseeing the executive. So by studying the legislature we can observe how elected officials from different backgrounds and parties respond to poor people.

Other political actors of course play a role in representation and policymaking, though full-scale analysis of their role is beyond the scope of this book. Political parties that fit a responsible party model select a campaign platform; once elected, parties must decide what campaign planks to pursue first and with vigor, and which to postpone or let die a quiet death, and these decisions affect whether government addresses poor people’s policy preferences. Mainwaring, Bejarano, and Pizarro Leongómez (2006, 2) explain that much research on representation, particularly in advanced industrial countries, focuses on parties with the expectation that party programs and “programmatic convergence between voters and legislators [are] at the core of democratic representation.” But they argue that “such programmatic or ideological representation is very weak” in much of Latin America, especially with respect to programmatic representation of poor people (see also Mainwaring, Bejarano, and Pizarro Leongómez 2006, table 1.7, 26).

Presidents often set the policy agenda for government. The executive’s job of implementing the law also gives the president control over state resources, which allows the president to distribute resources to target particular constituencies; therefore, presidents can influence whose interests receive policy or

clientelistic attention. When legislatures and parties become discredited in the eyes of citizens, populist presidents may displace these institutions as representatives of the people, but such presidents have shown a tendency to overstep the democratic bounds of their office (O'Donnell 1994; Weyland 1999; Mainwaring, Bejarano, and Pizarro Leongómez 2006, 20). Government agencies make policy through regulation, and those decisions about how to implement laws affect whether the government represents poor people (see Weyland 2006). Incentives created by institutions, plus the career ambitions of bureaucrats, agency directors, and presidents, influence whether these actors work to address the policy and service preferences of poor people. Those strategy decisions and ambitions, however, must be left for future studies, although party leaders and presidents will be taken into consideration at many points in the analysis presented here.

This book starts from the premise that institutions constrain and create incentives for legislators, yet legislators still make choices (Scharpf 1989, 149–50). They do not all view their jobs in the same way, nor do they all have the same motivations for seeking a seat in the congress.⁹ Institutions constrain legislators, allowing them to strategize how best to achieve their own goals based on what they expect others to do. The cultural approach in historical institutionalism explains that institutions also “affect the very identities, self-images and preferences of the actors,” and that “behaviour is not fully strategic but bounded by an individual’s worldview . . . it emphasizes the extent to which individuals turn to established routines or familiar patterns of behaviour to attain their purposes” (Hall and Taylor 1996, 939; see also Katznelson and Weingast 2005, 15).¹⁰

My analysis assumes that legislators, as well as poor and rich people, are rational actors who assess the costs, benefits, and potential for success of strategies for achieving their career or representation goals. In addition, my study assumes that institutions are products of a country’s historical experience, and that experience shapes both politicians’ views of how they can and should do their jobs and different types of citizens’ views of what they can expect from government. Institutions are not just a set of rules that are plunked down in country X at time t , but rather are shaped by the past experience politicians and citizens have with those institutions. Following Hall and Taylor (1996),

9. Searing (1994) and Hagopian (2001) also analyze the different roles legislators adopt.

10. According to sociological institutionalism, “institutions influence behavior not simply by specifying what one should do but also by specifying what one can imagine oneself doing in a given context” (Hall and Taylor 1996, 948).

Thelen (1999), and Katznelson and Weingast (2005), I attempt to combine the insights and strengths of rational choice and historical institutionalism to understand how the institutional milieu in which legislators and poor and rich people operate affects whether, when, and how the poor will be represented in Latin American politics.

The Effect of Poverty on Accountability

How does poverty affect accountability in democracy? Scholars anticipate that integrating popular sectors into politics will both create support for democratic political institutions and economic institutions and deepen the quality of democracy (Hite 1997, vi; Wampler 2006).¹¹ Yet “the effect of poverty on support for democracy is under-theorized and is not generally distinguished from economic development” (Carlin 2006, 53).¹² O’Donnell (1992, 47) hoped that providing representation for poor people would make it possible to “challenge the predominance of patrimonialism and clientelism,” but Latin American democracies have had little success integrating the poor into the regime.¹³ For poor people, holding politicians and political parties accountable is often a luxury they cannot afford. With little or no education it is difficult for people to monitor politicians’ work on policy. Poor people who are monolingual in an indigenous language face an additional impediment to monitoring. In the 2005 Latinobarómetro poll, 55 percent of respondents agreed that “politics is so complicated that people like us often do not know what is happening” (ranging from 40 percent in Venezuela to 69 percent in El Salvador and 68 percent in Paraguay) (40–41). Even when poor people organize groups to attend to their needs, their ability to monitor government policy may not increase, as many of the new popular associations that have proliferated

11. Morgan (2007) found that in Venezuela in 1998 lack of integration into established parties was a strong predictor of whether survey respondents supported new parties or were independents.

12. Carlin’s (2006) analysis of Latin American countries in the World Values Survey found that an increase in poverty has a significant and negative effect on *overt* support for democracy, even with development and inequality controls. Overt support for democracy refers to a verbal statement of a preference for democracy (e.g., democracy is preferable to any other kind of government), while *intrinsic* support for democracy refers to the expression of democratic values (liberty, freedom of expression, interpersonal trust) (see Inglehart and Welzel 2003).

13. Even the innovation of participatory budgeting, which has been hailed as so successful in some cities, has not delivered on its promise of incorporating poor people in all cases (see Nylen 2003; Collier and Handlin 2005, 17; Goldfrank and Schneider 2006; Wampler 2006).

in Latin American cities are focused on local subsistence concerns (e.g., communal kitchens, organizations of street vendors, NGOs that provide social services to popular sector constituencies) (Collier and Handlin 2005). If poor people cannot monitor government, they are unlikely to attempt to hold politicians accountable. The chance of a sanction from poor people also is low when poor people lack effective low-cost tools for punishing officials (Rubenstein 2007).

There is no doubt that poverty and a representation deficit for poor people impede democratic consolidation. Yet how poverty affects whether people can hold their government accountable, and how legislators have incentives to represent poor people, has received little consideration.¹⁴ Beginning to fill that gap is the focus of this book.

What Does Representation Mean in a Context of Poverty?

Representation is a broad concept, with meanings ranging from descriptive (a legislative body whose membership mimics the general population), to taking care of the interests of the represented group (the legislator acting as “delegate” rather than “trustee”), to policy congruence (legislators producing policy and services that follow from the preferences of their electorate) (Pitkin 1967).¹⁵ Representation can mean that all actors get to take part in the deliberation of policy. They may not get exactly what they want, as making policy requires compromise, but at least their interests are represented in the deliberation that produces the compromise (Mansbridge 2003).¹⁶

14. The nature of the link between representation and accountability is a matter of debate. Stokes (1999) argues that in Latin America representation comes through accountability (retrospective representation), rather than in the form of mandate representation. Rubenstein (2007) discusses how “surrogate accountability” might help enable poor people to hold more powerful actors accountable.

15. Stokes (1998) cautions against viewing representation as policy responsiveness, because voters often lack the information they would need to evaluate *ex ante* the consequences of a policy.

16. Mansbridge (2003) offers a new typology of forms of representation. “Promissory representation” is where voters select a legislator based on campaign promises, and then at the next election sanction or reward the official based on whether the promises were fulfilled, which fits the criteria for democratic accountability. The three new forms of representation she describes—anticipatory, gyroscopic, and surrogate—break apart the direct relationship between the voter and the elected official. See Sapiro (1981) for discussion of whether representation needs to be descriptive. Schwandt-Bayer and Mishler (2005) argue that the correct interpretation of Pitkin’s various concepts of representation is an integrated concept.

Where democracy operates in a context of poverty, do institutions give legislators an incentive to represent poor people in a way that comes close to any of these definitions? If elected officials want to use their office to represent poor people, is doing so a viable career-building strategy or a recipe for political suicide? Are efforts to make policy that enhances equity likely to be successful? Deliberative democracy assumes that all significant points of view can make themselves heard in the deliberation.¹⁷ Yet according to Conaghan (1996), leaders operating in a context of poverty do not reach out to society or pay attention to citizen demands. She argues that democracy in Latin America lacks authenticity due to “imperial executives, foundering legislatures, corroded parties,” and technocratic policymaking without consultation (34).

A different reason to question the validity of these concepts of representation is that poor people may care more about receiving particularistic services and local infrastructure than about national policy (Kitschelt and Wilkinson 2007, 25). Remmer (2007, 363) writes, “Research on the political economy of democracy takes programmatic linkages between citizens and politicians as its central point of theoretical departure. . . . For the majority of the world’s voters, however, the electoral calculus is conditioned less by programmatic considerations than by patron-clientelism.” Evidence supporting this point can be found in the demands popular associations often make for such things as food subsidies, land titles, work programs, or neighborhood infrastructure (Collier and Handlin 2005, 13). It can also be seen when governments design policies that provide targetable benefits, so that what appears to be a social welfare program is really something that can be used to benefit party supporters. This does not mean poor people do not have preferences about national policy, but that they may base their vote in the next election on concrete benefits they or their community received, rather than on policies whose impact is uncertain and will be difficult to monitor (Kitschelt 2000; Desposato 2001). Calvo and Murillo (2004) offer a complementary argument: parties with a support base that is composed of poor people will value patronage politics and campaign for votes by offering particularistic benefits, because poor people will value these cheap benefits. It is not efficient for middle-class parties to pursue such a strategy because their supporters will not view such benefits as valuable. Lyne (2007, 163) argues that voters (not just poor people) will only vote based on policy and collective goods when they “can ignore the effects

17. However, “influence can legitimately be highly unequal (at least under conditions in which the unequal exercise of influence does not undermine a rough equality of respect among participants, foreclose further opportunities to exercise equal power, or deny any of the participants the opportunity to grow through participation)” (Mansbridge 2003, 519).

of free-riding on their own welfare”—when they no longer find valuable what they will receive for their clientelistic vote. It is difficult to predict the results of a new policy—and even if a policy bill becomes law, implementation may be slow and enforcement lax. Thus, because the benefit is more certain and monitoring is cheap, poor voters may assess representation based on infrastructure projects for their community (e.g., a school or clinic) and personal benefits (e.g., a job, scholarship, building materials, or help for a sick family member).

A very loose concept of representation could be how citizens answer the question “What has government done for me lately?” A positive answer (e.g., I received assistance with a problem; my town got a paved road; or government agents are now enforcing the law that says women with small children should have child care at their workplace) could be representation. Representation as “acting in the interest of” (Pitkin 1967) could mean delivering a local service, a personal benefit, or a national policy (or enforcing an existing policy). According to Piattoni (2001, 3, 18), “politics is inherently particularistic” and “clientelism is just one of the historical forms in which interests are represented and promoted, a practical (although in many ways undesirable) solution to the problem of democratic representation.”

Representation of poor people is not necessarily measurable as a policy impact that reduces poverty indices.¹⁸ Poverty rates are determined by more than the policies a government adopts (e.g., trends in the world economy or natural disasters). A change in poverty indicators could result from resources invested in human infrastructure development a generation or more in the past, which are slow to produce results that show up in national statistics (Ross 2006; Dion 2007). Poor people can also have preferences about issues (e.g., access to drinking water, reduced street crime, respectful treatment from the judicial system) that do not show up in national poverty statistics.

Poverty and Consolidating Democracy

When democracy spread across Latin America in the 1980s, the initial concern was whether it would survive. Pacts and “perverse elements” (more on that

18. A number of scholars have explored whether democracy better serves poor people in Latin America than do authoritarian regimes, and the findings are mixed. Brown and Hunter (2004), Avelino, Brown, and Hunter (2005), and Huber, Murillo, and Stephens (2008) find that democracies spend more on social services than do non-democracies; Ross (2006) argues that these state funds may not benefit the poor, but rather may be welfare programs for the middle sectors (see also Kaufman and Segura-Ubiergo 2001). Iversen and Soskice (2006) find in industrialized democracies that different types of democratic institutions and party systems produce different class coalitions, thereby affecting whether democratic regimes will be redistributive.

below) lessened the fears of authoritarian incumbents and traditional elites so they would agree to a transition and insured that economic elites did not lose in policy debates (Karl 1986; Karl 1990, 11; Hagopian 1992; Valenzuela 1992; Casper and Taylor 1996; Hunter 1997). These deals may have been necessary to bring about a transition, but democratization is an ongoing process, and once installed a democratic regime enters the consolidation phase (Rustow 1970).¹⁹ Survival may still be an important issue,²⁰ but “‘who benefits’ from democracy” has also become important (Karl 1990, 13).

Consolidating democracy requires, among other things, removing those perverse elements, which are undemocratic holdovers from the authoritarian past, and deepening democracy so that both the political elites and the masses decide they are better off with this form of government, even when they lose some elections and policy battles (Rustow 1970; Przeworski 1991; Valenzuela 1992). To consolidate, democracy needs “mass legitimation” (Linz and Stepan 1996) and participation (Burton, Gunther, and Higley 1992, 4), but what does this imply? Is it enough for all people to have the vote, or must they also receive representation in policy debates and be able to hold officials accountable?

If different sectors of society have unequal capacities to articulate their interests and to monitor and sanction elected officials, it will affect the chances of consolidating democracy. The existence of formal democracy (i.e., following the procedures of democratic institutions) does not mean political power is distributed equally to all people (Lukes 1974; Bollen 1990, 9; Vilas 1997, 11; Huber, Rueschemeyer, and Stephens 1999, 169). O’Donnell (1994) criticizes “delegative” democracy for violating the principle of checks and balances. Another criticism is that it insulates presidents from popular pressures so that they can implement painful economic policies, but elites still have a say if there is a mobilization of bias (Schattschneider 1960; Crisp 2000). According to Vilas

19. I apply a minimal procedural definition to categorize a country as having installed a democratic regime. The necessary attributes are “fully contested elections with full suffrage and the absence of massive fraud, combined with effective guarantees of civil liberties, including freedom of speech, assembly, and association” (Collier and Levitsky 1997, 322). Collier and Levitsky explain that some scholars add “that elected government must have effective power to govern” (433), because if the military enjoys reserved domains, elected leaders may not actually govern (Karl 1990; Valenzuela 1992; Mainwaring, Brinks, and Pérez-Liñán 2001; Bowman, Lehoucq, and Mahoney 2005). I view this attribute as part of *consolidating* democracy, which can occur after the democratic regime is installed.

20. Remmer (1995) questioned whether Latin America’s democracies are really so fragile, given their ability to survive during the harsh economic times of the 1980s. Still, survival during hard economic times does not necessarily signal that democracy is deepening; it may simply mean that policy initiatives have not threatened the interests of traditional elites (Hagopian 2005).

(1997, 29), “Shrinking parliamentary and political party involvement in policy-making affects the average citizen much more than it does those who are high above the average. . . . Lobbying, ‘media politics,’ or bribery, strategies not available to every actor in the political system, substitute for open party competition.” Associations formed to address immediate subsistence concerns certainly organize poor people and do appear to be a harbinger for popular democracy, but they generally do not enable poor people to insert their policy preferences into the debate on national politics (but see Hochstetler and Friedman 2008). They have a large potential membership if they can form alliances across groups, but it is difficult to harness the potential political clout of their numbers. Decentralization *may* create institutional spaces at subnational levels of government (see O’Neill 2006), but people may still be dissatisfied with the representation they receive from the national government, which means democratic representation is still compromised (Mainwaring, Bejarano, and Pizarro Leongómez 2006, 31).

According to Karl (1990, 8), “The arrangements made by key political actors during a regime transition establish new rules, roles, and behavioral patterns which may or may not represent an important rupture with the past.” These arrangements “become the institutions shaping the prospects for regime consolidation in the future” (8). Traditional political elites may be able to design institutions that enhance their political powers and restrain the power of groups whose interests conflict with their own. They may give other groups power only in issue areas where the elites and the masses have compatible policy preferences (e.g., building infrastructure in communities when wealthy contractors get to build the project) (Lukes 1974; Roett 1984; Moe 2005). Of course, elites can overplay their hand and poor people may not vote, thereby decreasing the legitimacy of elections with low turnout; they may turn away from established parties and vote for populist candidates; or they may participate by unconventional means that threaten the elites’ control.

Deepening democracy takes time, as only through experience can people develop an effective attachment to the regime, not just to the current officeholders (Easton 1975).²¹ The legitimacy of a democratic regime and its key institutions must be earned (Lievesley 1999, 18; Lagos 2003, 137–38). If poor people continually lose policy battles, they are unlikely to develop effective

21. Lodge and Taber (2000) use the image of a “running tally” of positive experiences with democracy, over time creating a deep-seated commitment to democracy and a reservoir of goodwill so that popular support will continue even when the regime goes through hard times and experiences policy failures.

support for democracy, because they will not conclude that they are better off with democracy than they would be with some other regime. Deepening democracy means extending citizenship and equal political rights to all of a country's people. In most Latin American countries, deepening democracy is made more challenging because it "must take place in a context of extreme inequality" (Karl 1990, 13; see also O'Donnell 1992, 19; Lagos 2003, 138; Hagopian 2005).

O'Donnell (1992, 46) asked, "Who will be represented, by whom, and how; and who will be (or continue to be) excluded?" In many countries or electoral districts, politicians and parties need the votes of poor people to win fair elections, and Latin American governments have largely adopted the norm of free and fair elections. But do the poor count beyond having their votes tallied in elections? Do officials remember their poor supporters when making policy and allocating state resources, or are poor people once again excluded? These questions are addressed in this book by examining poor people's ability to monitor, how institutions affect the capacity of poor people to sanction, and how institutions affect legislators' view of their job and whether their representation strategy should include poor people.

Overview of the Book

Chapter 2 uses a principal-agent framework to consider at a theoretical level whether it is rational for a legislator to represent poor people. First, I present a classical principal-agent model of democratic accountability to outline how accountability works, then how accountability can break down even when there is just one principal. Next, I look at the case of two principals with different preferences but equal capacity to monitor and sanction their agent. Then, I examine the case that is the motivation for this book: two principals, one that depicts elites and one that depicts poor people.²² I then consider how electoral rules, nomination procedures, and clientelism influence whom it is rational for legislators to represent. The final section of the chapter presents a step return function (Croson and Marks 2000; Goeree and Holt 2005) for

22. The middle class could be a third principal; I distinguish the poor and rich principals based on their monitoring and sanctioning resources, however, and the middle class is more like the rich principal due to its capacity to monitor (if it chooses to become involved in politics). The middle class can also be viewed as a potential ally of the rich or poor principal, as in Iversen and Soskice's (2006) theory and empirical test of middle-class alliances under different institutional arrangements in advanced industrial democracies.

assessing when it becomes rational for poor people to rebel against a representation deficit, and when a poor person is likely to tolerate limited, clientelistic representation.

Chapter 3 examines macro-level observable implications of the theory using data from the World Values Survey and Latinobarómetro for nine Latin American countries. I categorize countries based on the sanctioning capacity of poor people created by electoral institutions, party nomination procedures, and the form of clientelism in their country, and evaluate whether differences in this sanctioning capacity help explain cross-national variation in how poor people evaluate their legislature. I hypothesize that public opinion polls will show that poor people have more confidence in their legislature in settings where institutions give them a greater capacity to sanction officials. The expectation is that, where poor people can easily sanction, legislators have an incentive to attend to poor people, which gives poor people a reason to have a more favorable view of their legislature relative to countries where institutions do not give legislators this incentive. The cross-national data largely support this hypothesis, and for countries where the sanctioning capacity of poor people changes over time, the intra-country data also support the hypothesis.

Chapters 4 through 7 present a multilayered, in-depth case study of Honduras. Honduras serves as a crucial test case (Lijphart 1971, 692; Gerring 2004, 347) for exploring whether, when, and how the poor count in democratic regimes because so many Hondurans are poor that there can be no question that the votes of the poor are needed to win elections. Poverty in Honduras resembles poverty in many Latin American countries, though its extent is generally greater (see tables 1.1 and 1.2). Poor people lack education, and many are illiterate or functionally illiterate in terms of the reading skills needed to assess political information. Many poor people have basic needs that are not addressed, including nutrition, clean water, electricity, and sewage service (see table 1.4).

Yet Honduras is a paradox because although it is very poor, the political system appears stable and poor Hondurans are actively involved in parties (Booth and Aubone 2007). Inequality has become more obvious in the last twenty-five years, as the rich have become more ostentatious in displaying their wealth, but inequality is not new. Two traditional parties were founded at the turn of the twentieth century, and they still receive most people's votes. Honduras has not experienced serious leftist guerrilla threats, or even violent protests by poor people against government policies. Hondurans protest, and strikes and demonstrations are frequent, but they are typically peaceful.

Table 1.4 Variation in poverty indicators across departments within Honduras

	HDI 2004	Average		% of households lacking			Homes with TV (%)
		% illiterate	Years of education	Water	Sewer	Electricity	
Atlántida	0.687	14.2	6.9	13.5	24.4	29.9	56.7
Bay Islands	0.726	4.3	7.6	10.5	14.4	10.5	64.6
Choluteca	0.627	25.7	5.4	23.1	42.6	64.0	26.9
Colón	0.636	22.3	5.6	16.5	36.0	47.7	32.9
Comayagua	0.629	20.9	5.8	19.6	40.7	48.8	40.6
Copán	0.578	34.2	4.3	22.9	43.0	59.8	25.8
Cortes	0.709	11.0	7.2	7.8	13.3	9.9	74.5
El Paraiso	0.619	27.2	4.9	34.4	35.6	62.7	27.3
Francisco Morazan	0.732	10.9	8.3	15.4	26.9	16.5	74.2
Gracias a Dios	0.635	22.0	5.4	45.9	72.9	86.9	5.5
Intibucá	0.582	28.5	4.9	32.1	43.0	81.6	13.2
La Paz	0.610	24.6	5.3	28.0	37.5	71.8	21.7
Lempira	0.554	36.5	3.9	27.5	51.5	86.7	6.9
Ocatepeque	0.600	28.8	4.7	17.6	42.2	59.5	27.6
Olancho	0.608	28.4	5.1	30.2	47.5	65.0	25.3
Santa Bárbara	0.597	32.4	4.6	18.0	38.5	57.6	25.3
Valle	0.649	25.3	5.8	23.0	52.7	52.3	36.7
Yoro	0.651	21.2	5.7	15.2	27.7	41.8	44.9
HONDURAS	0.664	20.0	6.2	18.3	31.7	40.0	48.0

SOURCE: Honduran National Census 2001; UNDP 2006, 30.

HDI = Human Development Index (UN)

This puzzle makes it interesting to explore whether elected officials in Honduras have an incentive to represent poor people and how, because one possible reason why poor Hondurans are willing to work within the system is that they do receive some clientelistic representation. The clientelistic benefits they receive could make them unwilling to risk losing those benefits to possibly obtain uncertain benefits from a major change in the party system.

Chapter 4 is an overview of Honduran history. The chapter highlights myths and misconceptions about Honduras commonly held because of its location in Central America. It explains the origin of the two traditional parties, their vertical organization and reliance on clientelism, and assesses the level of democracy in the present regime. It then analyzes the path-dependent development of electoral and nomination rules, showing how the vertical organization of the traditional parties and their continued need for access to the state's clientelism resources have sustained party leaders' control, even with regime changes, constitutional revisions, and election law changes.

Chapter 5 describes the institutions in Honduras's third-wave democratic regime, building on the path-dependent development of those institutions

laid out in chapter 4. It applies the theoretical argument from chapter 2, examining macro-level observable implications of the theory to assess the capacity of rich and poor people to monitor. Further, the chapter explores how Honduras's combination of institutions affects the capacity of rich and poor people to sanction, the incentives that institutions give legislators to represent poor people, and the forms that representation is likely to take.

Chapter 6 presents a role analysis of Honduran deputies, examining micro-level observable implications of the theory to explore the ways legislators operating within institutional constraints choose to do their job. This chapter applies Searing's (1994) idea of legislators' informal preferences roles, which argues that even within institutional constraints, politicians still make choices (see also Scharpf 1989). The role analysis recognizes that, along with a "calculus approach" to human behavior, there is also a "cultural approach" that conceptualizes the relationship between institutions and behavior where "behavior is not fully strategic but bounded by an individual's worldview . . . which provide[s] the filters for interpretation, of both the situation and oneself" (Hall and Taylor 1996, 939). Honduran deputies have adopted three different roles or identities that fit the cognitive templates provided by institutions: *Congress Advocates* want to improve the quality of laws and strengthen the Congress; *Party Deputies* view their job as serving their party, particularly faction leaders; and *Constituency Servers* want to develop their communities and attend to constituents' needs. Chapters 4 and 5 explain the origins and the institutional setting of the current democratic regime and assess the constraints those institutions place on the representation strategies of legislators. Chapter 6 asks politicians operating within that setting how they view their job and the duties of a deputy, assessing which institutional incentives are of greatest importance to deputies who adopt different roles. I then make predictions about which types of deputies have an incentive to represent the policy, service, and particularistic interests of the poor.

Chapter 7 presents data about how deputies who adopt different roles view who their constituents are and their duties to those constituents. Analysis of the legislative records of deputies in the different role types shows that behavior differs across the roles. The chapter concludes with an examination of the implications of the different deputy roles for whether, when, and how the poor count in Honduran politics.

Chapter 8 begins with a consideration of the implications of the book's findings for policy outputs, in particular how an incentive for clientelistic representation affects policy, and includes brief case studies from Honduras's and

Brazil's conditional cash transfer programs. I then conclude, arguing that a representation deficit for the poor is likely in Latin American democracies because rich people and their interest groups will often punish those representing the policy interests of poor people. This occurs in part because rich people have more monitoring resources than the poor, and under many institutional settings have a greater capacity to sanction elected officials. Poor people may not support officials who try to represent their policy interests because their policy proposals are likely to be extensively revised and moderated just to be passed, and then are often not aggressively implemented. With their limited capacity to monitor the policy work of their elected officials, poor people are not likely to be aware of an official's efforts to produce programmatic policy on their behalf if the efforts do not deliver concrete benefits. But the representation deficit shrinks where institutions create incentives for clientelistic representation for (some) poor people, because people who receive clientelistic benefits have received a tangible indication that they matter to government. Thus clientelism may be a key to the stability of democracy in a context of poverty, albeit a democracy that may not fit our conventional images.

There is a representation deficit in Latin America because most combinations of electoral institutions, nominations, and forms of clientelism do not create incentives for elected officials to view their job as representing the interests of poor people in national policy. But it is not a *crisis* of popular representation, in the sense that institutions create *no* incentives to represent poor people. Multi-institution analysis indicates that some institutional settings create strong incentives for clientelistic representation. Other institutional settings may not *require* career-seeking legislators to engage in clientelistic representation but *permit* such activity by legislators whose role or cognitive template (which is prompted by the institutional setting) includes building a reputation as a patron. But even that source of representation may be dampened by other institutions that either create strong incentives for party loyalty or make it difficult for legislators to obtain access to state resources.

This study suggests that the role of clientelism and poverty in democratization in Latin America may be misperceived. Scholars often decry clientelism as the source of many of Latin America's problems, including the difficulty of consolidating democracy (see, e.g., O'Donnell 1992; Karl 1995; Stokes 1998, 2005; Huber, Rueschemeyer, and Stephens 1999, 181). Yet this study indicates that clientelistic benefits to the poor may be essential to democratic stability, and their removal can sow the seeds of popular discontent if they provide the only evidence of representation perceived by poor people (Scott 1969, 1155; Valenzuela 1977; Kitschelt 2000).

Do the poor count in Latin American democracies? The answer is a qualified “no,” as institutions typically give elected officials little or no incentive to represent the poor beyond the delivery of clientelistic club goods and selective incentives. In contrast to the focus of some scholars on the extensive, growing poverty in Latin America as an indicator of unequal rights, however, this book concludes that poverty alone does not negate citizenship rights. Poverty interacts with institutions that affect the capacity of citizens to sanction their officials, constrain legislators’ representation strategy options and roles, and often punish politicians for representing the poor in forms other than clientelistic representation.

TWO



THEORIZING REPRESENTATION AND ACCOUNTABILITY IN A CONTEXT OF POVERTY

Principal-agent relationships are often used to study mechanisms of accountability in democratic systems, with citizens as the principal and the elected official as the agent.¹ Elegant in their simplicity, principal-agent models define boundaries and limiting conditions, such as the optimal payment to the agent (Barro 1973), and the level of monitoring that will motivate the agent to seek reelection and also produce the policy and services the principal desires (Ferejohn 1986). Scholars also ask whether elections are a selection game to choose a “good type” who will represent the voter’s interests when making policy (Fearon 1999), or a moral hazard game to sanction incumbents who do not deliver the policies and services the voter desires (Ferejohn 1986, 1999).

Formal models of political accountability make simplifying assumptions that are suitable for economically advanced industrialized countries with a large middle class and high levels of education, but these are not necessarily appropriate in a context of poverty. In this chapter, I examine accountability in a democracy when extreme inequality differentially affects the ability of sectors of the population to monitor and sanction elected officials. First, I discuss assumptions in formal models of accountability that need to be relaxed in order to study accountability in this context. Next, I introduce the actors in a principal-agent accountability relationship set in a context of poverty. I then review the standard principal-agent model of accountability with one principal and one agent, and explore how two competing principals—each of whom has an equivalent capacity to monitor and sanction—affect the agent’s strategy. I then examine how differences between capacities of poor and rich people to monitor—and how institutional constraints on the capacity of citizens,

1. The accountability of bureaucracies to elected officials is another principal-agent relationship, with the elected official as the principal and the bureaucracy as the agent.

particularly poor people, to reward or punish elected officials—affect the strategies of an elected official who wants to continue in politics. In sum, this chapter explores when legislators have incentives to represent poor people and when institutions produce a representation deficit for the poor. This chapter does not depict institutions from a particular country; rather, it considers the incentives that different electoral systems, party nomination procedures, and forms of clientelism create and how they influence politicians' decisions about whom it is rational to represent.

Studying Accountability in a Context of Poverty

To study democratic accountability in a context of poverty, two simplifying assumptions in principal-agent models of accountability need to be relaxed.² One assumption is that a single principal works with the agent. The second assumption is that all agents, or aspiring agents, are substitutable for the principal.

Formal models of democratic accountability generally adopt the simplifying assumption of a single principal, so the challenge for voters is coordinating the signal sent to their agent.³ A lack of coordination allows elected officials to deviate from the preferences of citizens and obtain rents from government posts (Ferejohn 1999, 134). But what if people have different goals for government and therefore do not *want* to send the agent the same signal? This is not a coordination problem; it means the agent has more than one principal. Who will the agent represent? Moe (2005, 215) points to this question when he claims the key challenge of studying institutions is not just “whether rational individuals will cooperate in the face of collective action problems,” which assumes individuals can reach a mutually beneficial agreement. If some people are losers from the arrangement, however, they do not cooperate with it voluntarily; their cooperation is due to coercion (Lukes 1974, 2005).

A single principal may be an appropriate simplifying assumption in democratic accountability models for developed countries where most people *can*

2. Rubenstein (2007) presents a model of *surrogate* accountability to address the problems that poor people or other weak groups have holding a stronger actor accountable. Her focus is not how institutions affect the sanctioning ability of an actor, though she acknowledges that institutions can exacerbate or mitigate the effects of poverty, but rather how another actor can help a weak actor to have the means to hold the powerful actor accountable.

3. An important exception is Bendor and Meirowitz (2004), who explicitly extend their model of delegation to include multiple principals.

monitor and sanction the agent if they choose.⁴ If a politician knows that all types of voters and groups in society have the *capacity* to monitor and sanction, then the politician must find ways to make all principals perceive that government represents their interests (at least sometimes). If not, principal-agent theory predicts that the disaffected voters will sanction the politician, ending the politician's political career. But poor people have less capacity than do other citizens to monitor most types of actions by elected officials, and the sanctions they can impose are often blunt and costly to the poor people themselves.⁵ When a large percentage of the population is both poor and has limited monitoring and sanctioning capability, it may be feasible for elected officials to not represent the interests of poor people.

The electorate in economically developed countries is heterogeneous (in terms of ethnicity, ideology, and religion, among other things), and groups have different policy and service preferences. In a context of relative economic equality, it may be a suitable simplifying assumption that groups have a similar capacity to make their preferences known and to monitor government (if they expend the effort). Politicians then have an incentive to represent (in the sense of working in the interests of; see Pitkin 1967) all the diverse people, because any group can reward performance that pleases them.

Modeling democratic accountability with a single principal assumes that all types of people have relatively equal capacity to monitor and sanction the agent. In one sense, this is true in a democracy. Anybody can ask, "What has government done for me lately," or "Am I better off now than I was at the time of the last election?"⁶ All citizens must have the right to vote, and all votes must be counted equally, or else the country is not a democracy; therefore, in a democracy the vote is a sanction available to all people who meet the legal requirements.⁷ But other monitoring and sanctioning resources may

4. Even where the population is educated and affluent, monitoring will not be perfect, as voters still cannot observe directly many of government's actions. In addition, many voters will accept slippage in the principal-agent relationship with government because they choose not to expend effort monitoring.

5. In Mexico under the PRI's rule, poor people who made demands and confronted government were less likely to be the ones who ultimately reaped the benefits of any policy concession (Fox 1994; Hellman 1994).

6. Ferejohn (1986) argues that suboptimal outcomes will result if voters use this individually rational decision rule when evaluating political incumbents. To achieve superior accountability, nonhomogeneous voters need to employ sociotropic or collective evaluative criteria.

7. The design of electoral institutions can determine whether the vote is a sharp sanction that can punish or reward specific officials, or a blunt sanction that can only be used on a party. This is discussed below. At this point, it is sufficient to note that ballot type should affect the sharpness or bluntness of the vote as a sanction available to both rich and poor people.

not be equally accessible. For example, campaign contributions provide rich people with sanctions unavailable to poor people. The poor might have their numbers as a sanctioning tool (they are a larger number of potential voters than the rich and middle class in many electoral districts in Latin America), but organizational fragmentation dilutes this potential (Gay 1990; Weyland 1996; Lievesley 1999).⁸ Educated people can obtain and evaluate data to assess conditions. Uneducated people have less access to analytical information and may be limited to evaluating government performance by watching television or observing the condition and experiences of their family and community. Radio and television are becoming widespread, but media bias can limit the quality of this information for monitoring elected officials. The government may have power over the media (e.g., by controlling licenses or paying reporters), so investigative journalism is not necessarily available as a “cheap” monitoring resource.

Rubenstein (2007) discusses when surrogate sources of information can enable a weak actor to overcome the information deficit that short-circuits what she calls “standard accountability.” She cautions that it is necessary to evaluate “how close did the surrogate come to gathering the *information* that accountability holders [in this case the weak actor] would have gathered?” (627–28). Surrogates can be quite effective at providing the weak actor with information about whether its agent has complied with rules (e.g., laws about fair treatment in the courts), but surrogates are less able to provide accurate information about whether the agent promoted the weak actor’s preferences.

Another common assumption is that candidates or parties are substitutable, so a voter can always threaten to replace an incumbent. But this is a fragile assumption (Fearon 1999) that ignores voter allegiance to a party or the need for a patron. A strong party supporter would resist voting for an opposition candidate because of the psychic cost of voting against one’s party. For a poor client, maintaining a relationship with a patron may be more important than sanctioning an elected official over policy.⁹ How is voter control

8. A Global Barometer study of who votes in poor countries finds that the material status of voters does not predict propensity to vote. In Latin America, 78 percent of people who owned a full list of household goods (telephone, piped water system, etc.) said that they voted, while 74 percent of people who did not have all these goods also said that they voted (Bratton, Chu, and Lagos 2006, 9).

9. Patron-client relationships between voters and elected officials prompt the question of whether elections should be modeled as retrospective or prospective events. Principal-agent relationships typically assume that the principal responds to the agent’s past behavior. For a principal who has a clientelistic relationship with the agent, the vote decision may be prospective, with the client voting for the agent expected to be the most helpful (Wilson 1990). Coppedge (1993) examined

over elected officials affected by the voter paying a high cost for switching agents, particularly if some types of voters incur a cost while others do not?

Principals and Agents in a Context of Poverty

The Agent

In formal models of democratic accountability, the agent is typically an incumbent representative.¹⁰ Here, as well, legislators are the agent, because in democratic theory the legislature is intended to be the *representative branch* of government.¹¹ A growing body of literature shows that Latin American legislatures, which historically were viewed as marginal (Mezey 1979), are relevant players in the policymaking process. Cox and Morgenstern (2002) argue that presidents take into account the preferences of the legislature when proposing their own policy initiatives to insure they will pass. Presidents whose party lacks a majority must build coalitions by giving out cabinet posts and purchasing support from individual deputies and parties on individual bills (Amorim Neto 1998; Mejía Acosta 2003; Kellam 2007). Calvo (2007) shows that the Argentine congress can respond to the public mood and kill bills the executive initiates. Legislators themselves initiate bills with national and sectoral targets (not just local targets), and while some bills are trivial or symbolic (e.g., a bill to establish a national holiday), many address policy issues (e.g., changes to the penal or tax codes or electoral laws). Some deputies' bills win passage, and even if they do not become law they can attract attention, making the issue part of the national policy debate (see Taylor-Robinson and Diaz 1999; Escobar-Lemmon, Avellaneda, and Botero 2005; Micozzi 2009, for studies of legislating by deputies in Honduras, Colombia, and Argentina, respectively).

The legislature is an institution, but its members determine the larger body's actions (e.g., the median legislator or committee member, the governing party,

Mexico under the PRI and Venezuela when AD (Acción Democrática) and COPEI (Comité de Organización Política Electoral Independiente) dominated politics. He concluded that both major parties in Venezuela had to be attentive to poor people because the electorate could always just vote for the other party. In Mexico, the PRI was the only party whose patrons could deliver services and patronage, so a protest vote for another party was very costly to a poor person as it meant losing all possibility for particularistic benefits.

10. Models of democratic accountability are not explicitly based on the United States, yet assumptions typically fit the institutions of U.S. politics.

11. See chapter 1 for the rationale for this decision.

legislators acting as individuals). I assume that legislators respond to the incentives and constraints created by the institutions of their particular political arena, and that within those constraints they make choices about the job they will do (e.g., for whom they will legislate, or how they will allocate their time between institutional maintenance, constituency service, party work, etc.). Legislators should also consider whether they are likely to retain rich or poor voters' support for *attempting* to implement a policy (i.e., by proposing a bill or amendment, even if it is not passed), or if constituents will sanction if the bill fails.¹² An elected official's identity, self-image, and preferences are shaped by the institutional milieu, affecting whom the official represents and what form that representation takes. If citizens view legislators as unresponsive, they may develop a negative opinion of the legislature. They may begin to wonder why they are paying legislators' salaries, and the congress may lose legitimacy in the people's eyes. As table 1.3 shows, few Latin Americans hold their congress in high esteem.

Institutions also shape the identity and self-image of presidents and influence the initiatives that will become the hallmarks of a presidency—though a president who faces a term limit may be less constrained than a legislator who wants to continue a political career. Parties also work within the institutional milieu of their country, such as when deciding on an electoral strategy. Future research should explore how different institutional contexts affect executives and parties, as these actors must also confront monitoring and possible sanction by multiple principals.

The Principals

In a context of poverty, we can think of two stylized principals with different (though not necessarily conflicting) preferences and an unequal capacity to monitor and sanction.¹³ The rich principal has abundant monitoring and sanctioning resources. The poor principal has few monitoring resources and sanctioning tools, which are often personally costly to use or require collective

12. Whether a constituent sanctions may depend on how badly the constituent needs the policy or service (e.g., I need an all-weather road to transport crops to market before they spoil vs. I would like to defend the Arctic National Wildlife Refuge). Constituents (rich or poor) who view a policy as a long-range goal requiring a public relations campaign to increase support for the issue should reward the legislator's efforts, provided they can observe those efforts occurring.

13. Actors with unequal monitoring and sanctioning resources may have compatible preferences. In that case, following Tsebelis's (1995) idea that two veto players with the same preferences can be viewed as a single veto player, the two principals become one, though they face a coordination challenge in policing their elected official.

action to affect the agent. Rubenstein (2007, 621–22) explains that there are three main elements of accountability: (1) setting the standards to which the agent will be held, (2) gathering information with which to evaluate whether the agent is fulfilling his or her duty, and (3) sanctioning so agents will have an incentive to meet standards. Though sanctioning is what gives the accountability relationship teeth, and thus limited capacity to sanction often appears to be the source of a principal's weakness, "all three elements of accountability—standards, information, and sanction—can be difficult to implement under conditions of inequality."

Each principal must choose the monitoring effort that achieves an acceptable balance between how far an agent's behavior differs from the principal's policy/service preference, and how much effort the principal invests in policing. Typically a principal will accept some shirking, since monitoring is costly and that cost subtracts from the benefit obtained from policy and services.

How much monitoring is optimal? The answer differs for rich and poor people because the relative cost of a unit of monitoring is greater for poor people. If a rich person has one hundred units of monitoring resources, the marginal cost of expending one unit is lower than it is for a poor person who has only ten units. Some monitoring is easy and cheap; for example, voters can ask themselves whether the streets feel safe, or if they received the promised job or assistance from the legislator. Monitoring whether a legislator who promised to promote rights for agricultural workers or to improve the quality of schools is following through with bills, amendments, and debate participation requires the principal to expend extensive monitoring resources. A rich person can afford to engage in resource-intensive monitoring, but a poor person likely cannot.¹⁴

Poor people, especially those with little or no education, may have little capacity to monitor elected officials. Limited reading skills make printed information inaccessible (e.g., newspapers, reports, congressional transcripts on the Internet). Monitoring policy negotiations and bill amendments requires access to information from inside policymaking circles that often operate behind closed doors. Poor people's monitoring may be limited to what they can observe about policy and services in their life, or information from NGOs whose policy goals overlap with the interests of the poor and who want to mobilize

14. A principal that has abundant monitoring resources may not use them, so rich people may be no more aware of officials' activities than poor people. For example, an educated person might utilize the Internet primarily for business or personal reasons, and never use it to track government policy development.

poor people for the group's cause (see Hochstetler 2000, 177–81).¹⁵ By contrast, a rich person can join an interest group that employs staff to monitor government proposals and investigate their technical feasibility. Connections to government may allow rich persons or their interest groups to take part in policy negotiations.¹⁶ In sum, poor people are likely to face a greater information asymmetry than are rich people. Simply based on the differences in their monitoring capability, we would expect agents to have less incentive to represent poor people than rich people.

Sanctioning tools also differ for the rich and poor. In a democracy, all citizens have their vote as a sanction, but votes are only one way to sanction or reward officials. As mentioned above, campaign contributions can be given as a reward or taken away as a sanction, and only rich people have the capacity to make contributions.¹⁷ Influence on nominations can reward or sanction legislators, especially if the main hurdle for reelection is getting nominated in a safe district or securing a safe position on the party's list. A rich person may have business, family, or social connections with party leaders who control ballot access and list position. Poor people lack access to the inner circles of party power, and must vote for or against the candidate or list their party offers.¹⁸

As mentioned previously, sanctioning tools available to poor people are often blunt, costly to implement, or require participation by many people to be successful. Poor people can organize demonstrations to protest or support government policies or services—for example, women from a Lima barrio staging a sit-in at the Ministry of Health to protest the government not building

15. Evaluations of social fund programs provide evidence of how limited capacity makes it more difficult for poor people to obtain resources from government—even resources that are supposed to be targeted at poor people. According to Tendler (2000, 117–18), “Poor communities are handicapped in responding to [social fund]–like initiatives in that they require prior organizing, preparation of project proposals, and choosing and monitoring of outside contractors.” This creates a “comparative advantage of communities that were better off—*within* the ‘poor-designated’ municipalities or subregions—in competing for funds.”

16. “Business groups have increasingly organized intersectoral ‘encompassing associations’ to articulate and defend their class interests” (Durand and Silva 1998). “These associations play a significant role in the policy-making process, as they generally are granted direct access to governing officials” (Roberts 2002, 27).

17. Public financing for campaigns could help level the playing field in this regard.

18. Even with primaries, voters may still only have limited control over candidate selection. Extremists in the U.S. Democratic and Republican parties have acquired increased influence over the types of candidates offered to voters in the primary elections by directing campaign contributions to and grooming extreme candidates, while discouraging moderates (Fleisher and Bond 2004). Bachrach and Baratz (1970) and Lukes (1974, 2005) argue that elites band together to limit the choice set available to nonelites.

a promised health clinic in their neighborhood (Stokes 1995). Such unconventional forms of participation take time away from work, which means lost income, and organizers must invest their time to make the protest event happen. In addition, justice may not be applied equally to all people. Wealthy business leaders who request a meeting with a minister or congressional leader to discuss their opposition to a proposed policy are unlikely to be jailed for their efforts. If poor people take over a government building to show their displeasure with broken promises, they are just as likely to be arrested as to obtain a policy change or service. Collective action, such as a strike, is not only difficult to organize, but the repressive tactics often used against strikers or organizers raise the cost of this type of sanction. For example, when Ecuadorian banana plantation workers formed a union and went on strike in 2002, hooded, armed men dragged them from their homes, beat them, and shot several people (Otis 2003). If a poor person must pay a high personal cost to try to sanction elected officials, the poor person's sanctioning capacity is weaker than that of a rich person (more on this below).

This inquiry does not have to be limited to two competing principals. It could include various social classes and other societal groupings (e.g., ethnic or linguistic groups, industrial or union sectors). Since this book focuses on rich and poor people, however, it is useful to discuss how a middle class would fit into this analysis. The analysis assumes the competing principals have different policy and service preferences. When their interests differ from those of rich and poor people, the middle class is an additional principal competing for representation. Their success will be influenced by their monitoring and sanctioning ability relative to that of the other principals, as well as by politicians' policy and service preferences and career goals. If middle-class interests are compatible with the interests of rich or poor people, the monitoring and sanctioning capacity of the middle class can be added to the resources of this "partner," and the challenge then is to coordinate policy/service signals and sanctioning efforts. For simplicity, I examine a case of two principals—one rich and the other poor.

Accountability with One Principal

Accountability in a democracy can be thought of like a contract arrangement in business. A company hires an employee to do a task, and then evaluates

the employee's performance at a set time in the future.¹⁹ In democratic accountability, the employer is the citizenry, and the employees are the elected officials. In classical principal-agent theory, the principal is a unitary actor. This provides a useful starting point for considering how rational behavior by the agent changes as we expand the principal-agent relationship to multiple principals in a context of poverty.

The citizen has a preference for a policy/service package, and the legislator must decide what policy/service to provide. In formal models, each actor has preferences over policy and a policy ideal point. In the discussion to come of incentives to represent rich and poor people, it will be useful to consider citizens' preferences for local services and particularistic benefits as well as for policy, so I refer to a policy/service package. The legislator wants to benefit from holding office, and we can assume legislators receive benefits from various things, such as continuing their political career, receiving their level of salary, maintaining the democratic regime, or enjoying an enhanced reputation as a local caudillo.²⁰ The citizen needs to decide how much to monitor and, if dissatisfied, whether to try to sanction.

If the citizen can elect a "good type," the legislator will produce the policy/service package the voter wants without monitoring because they have the same preferences (Fearon 1999).²¹ If the citizen does not have enough information about candidates to select a good type, or if no candidate has the same preferences, then the citizen must expend resources on monitoring.

Unless the citizen can elect an agent who is a "good type," "constituents can do no better than establish a threshold utility level and reelect the incumbent only if that level is attained. Obviously, the incumbent will follow her constituents' wishes only if the cost of doing so is less than the (discounted)

19. There are other aspects to accountability in a democracy, such as the judicial system's role in ensuring the rule of law (Diamond 1997), or oversight committees and agencies monitoring and sanctioning the bureaucracy (O'Donnell 2003). See Mainwaring and Welna (2003) for broad coverage of the concept of democratic accountability.

20. In transitional democracies, fears that people will not support democracy if their policy/service interests are not represented, and that popular calls for a coup might bring down the regime, could give officials an added reason to attend to peoples' demands. For similar reasons, citizens may refrain from protesting government performance so as not to give the military an excuse to move back into politics.

21. Fearon (1999, 59) defines "a good type for a particular voter as a politician who (1) shares the voter's issue preferences, (2) has integrity, in that he or she is hard to bribe or otherwise induce to work against the voter's interests, and (3) is competent or skilled in discerning and implementing optimal policies for the voter." An inducement to deviate from the policy preference of the voter could take the form of a bribe, but it could also be a threat, such as a guerrilla group threatening to kill an elected official, a strategy frequently employed by the FARC (Fuerzas Armadas Revolucionarias de Colombia) in Colombia.

value of reelection, which depends both on the level of the utility threshold and the value of office” (Ferejohn 1999, 137). The legislator must want to continue in politics. The citizen must set the required minimum level of policy/service provision so that the legislator places a positive value on a government career. The legislator must estimate the probability of reelection as positive and likely enough to be worth setting policy/service at a level that will please the citizen. If these conditions are not met, the legislator will not have a future time horizon, and the principal-agent relationship becomes a final-term game.²² In a final term game, rational behavior for the legislator is to produce his or her personal preferred policy/service. Where legislators perceive no future political career, citizens will only receive representation if they can select a “good type” as their elected representative.

To make the principal-agent “contract” work—to hold legislators accountable—the citizen also needs the means to influence whether the legislator can continue a political career. The likelihood that the citizen can prevent a legislator from continuing in politics affects the legislator’s probable benefit from holding office, which makes institutional design important to principal-agent accountability relationships.²³

In sum, even a single principal often must accept representation that is not precisely the policy/service package he or she desires. Unless a legislator who is a “good type” is available, the principal has to expend resources on monitoring. Even abundant monitoring resources may not produce perfect representation; if the principal sets the acceptable level of performance too high, legislators will conclude that continuing a political career is not possible, and the principal loses the ability to sanction the agent.

Accountability with Two Principals with Comparable Capacity to Monitor and Sanction

What happens to citizens’ ability to hold legislators accountable when legislators represent people who want different policies/services, and both types

22. Term limits may not sever the accountability mechanism if legislators have progressive ambition (Schlesinger 1966) and performance in the current office affects chances of obtaining the next office. For example, Costa Rican deputies cannot be immediately reelected to the Legislative Assembly, but parties want to win the presidency, and they view constituency service as part of party strategy to win voter support. Parties give deputies an incentive to perform constituency service, since they can receive an appointed post if their party wins the presidency (Taylor 1992; Carey 1996).

23. Detailed discussion is given below regarding how the capacity of poor and rich people to sanction elected officials changes with different types of electoral, nomination, and clientelism institutions.

of citizens have equivalent capacity to monitor and to sanction? Because the people have different preferences, the challenge is not merely to coordinate. The legislator faces possible monitoring by both principals, and must decide what policy/service package to produce based on how the legislator prioritizes policy, continuing a political career (factoring in the likelihood of sanction for performance a voter or group evaluates as unfavorable), maintaining democracy, building a reputation as a patron, and so forth.

Competition among citizens or interest groups for attention can prompt a bidding war. Each principal can offer to accept a policy/service package that is further from what the principal really wants, while pledging to reelect the legislator so their needs are partially addressed (Ferejohn 1986, 10–11, 21).²⁴ The amount of resources a person or group invests in monitoring determines the slippage in policy/service provision they will notice. As the slippage they will tolerate increases, the legislator can provide less representation without fear of a sanction. If the policy/services different people or groups want are not very different, and at least one group will tolerate considerable slippage, a legislator may be able to adopt a policy/service package that satisfies everyone.

If such a solution is not possible, a legislator could ignore both groups at the cost of losing office.²⁵ But what if the legislator wants a political career? Each of the principals has an equivalent capacity to monitor and sanction, and if they invest equally in monitoring, the legislator cannot produce a policy/service that appeals to one without irritating the other. The reward the legislator will receive from representing one principal will be cancelled by the sanction from the other. Unless the principals begin a bidding war for attention, the legislator might as well adopt his or her personally preferred policy/service because the angry principal will surely sanction.

Politics, of course, covers many issues and service needs, so a legislator may be able to somewhat satisfy both principals before the next election. Both principals could conclude that overall the legislator did an acceptable job of representing them, so neither will sanction. This would be more likely if they did not always disagree; in fact, there are typically multiple opportunities for elected officials to represent people's interests as voters and interest groups hope to win some battles and expect to lose others.

24. Whether a voter can credibly commit to such a pledge is a valid question.

25. If a legislator plans a career outside of politics, a person who has the power to limit the legislator's job prospects could sanction the legislator. Similarly, in a violent society, the threat of violence could be used to punish an official. A legislator would have an incentive to represent the citizen who can get the legislator a desired private sector job or who could implement a violent sanction.

Representation and Accountability in a Context of Poverty

Who receives representation when constituents have different policy/service interests and *unequal* resources for monitoring and sanctioning? This describes the strategy choice of a legislator with poor and rich constituents. The institutional milieu shapes the legislator's reasons for holding office, and also constrains the legislator's strategy for building a political career.²⁶

The differences between the policy/services that two different constituents want and between how vigilantly they monitor also influence the legislator's strategy. As discussed above, if voters' policy/service interests are not too far apart or if the voters have different but compatible preferences, a legislator may be able to represent both types of people and avoid sanction. Poor people's limited capacity to monitor national policies increases the likelihood of such a situation. If people want very different policies and services, however, and both monitor, then the legislator has to make a choice. It would appear that the legislator would always represent the rich person. After all, the rich person is more likely than the poor person to know whether a legislator is not fulfilling campaign promises. Monitoring asymmetry is particularly acute for national policies, while both poor and rich people can observe if the local public services and personal benefits they were promised have been delivered. Yet institutions affect the capacity of rich and poor people to sanction their elected representatives, which is the subject of the next part of the chapter. Even a tool as powerful as personal wealth is more potent in some institutional settings than in others, while some types of institutions can actually empower poor people, at least to some extent.

It is also necessary to consider the legislator's policy/service preferences and the value the legislator places on continuing a political career, gaining status as a local patron, and building prestige in the party. It is rational for a legislator to represent poor people if obtaining poor peoples' votes is a cheap way to win reelection (and reelection is important to the legislator). A distinct reason why providing clientelistic representation to poor people can be important to a politician is if the politician ran for congress to build a reputation as a local patron, which could happen even where electoral rules do not create personalizing incentives (see Kitschelt 2000; Kitschelt and Wilkinson 2007).

26. A legislator who wants to retire can represent whomever they want. If a legislator intends to work in the private sector, a principal with influence on the legislator's coming job prospects could influence the legislator's future.

How Institutions Affect the Capacity of Poor People to Hold Officials Accountable and Shape Legislators' Strategy

Here I consider how electoral rules, nomination procedures, and forms of clientelism shape legislators' incentives to represent poor people. Two points need to be underscored before examining each of these institutions. One, while it is easiest to think about individual institutions, it is multiple formal and informal institutions that comprise the real setting in which constituents and legislators must try to achieve their goals.²⁷ Two, institutions do not just constrain legislators; they shape how legislators define their roles in government and why they seek elected office in the first place (Hall and Taylor 1996, 939; Katznelson and Weingast 2005, 15).

Electoral Rules and Nomination Procedures

Formal rules, such as term limits and ballot type, shape legislators' expectations about reelection and affect the capacity of different types of constituents to hold representatives accountable. An incumbent facing a term limit may view the current post as a stepping-stone to another post, and if so, we can model the legislator's strategy as if he or she were running for reelection. In general, however, term limits sever the relationship that makes accountability possible in a democracy (Carey 1996). If reelection is legally possible but many incumbents lose, legislators will view reelection as unlikely, which weakens the incentive to please the voters.

Ballot type determines whether the legislator or party leaders control nomination and election chances, and therefore influences whether people can sanction a legislator directly. In single-member-district plurality (SMD-P) elections, the support of enough voters to come in first in the electoral contest is essential for reelection. Under open-list proportional representation (PR) elections, a legislator needs the support of enough voters to obtain one of the seats his or her party wins in the district. Under SMD-P electoral rules, if members of an ethnic group or union are numerically important in a district and they vote as a block, they can virtually ensure an incumbent's reelection, hence the power of union endorsements and the effort politicians exert to obtain them. Open-list PR electoral rules can make poor voters an important

27. Desposato (2006a) and Kitschelt and Wilkinson (2007) discuss how multiple institutions can interact and affect one another's endogenous development.

constituency because a candidate can buy their support cheaply by providing particularistic benefits or local infrastructure projects (possibly designed to work as excludable club goods), and poor people can vote for another candidate if their expectations are not fulfilled (Gay 1990; Hagopian 1990; Kitschelt 2000; Desposato 2001). With SMD-P and open-list electoral rules, people can use their vote to sanction a particular legislator, and voting is a low-cost activity, though it will only truly punish the incumbent if many constituents vote the same way. Where voters must vote for a party's slate of candidates and cannot disturb the list, as in closed-list PR elections, both rich and poor voters are stuck with the candidates the parties give them. An incumbent at the top of the list is likely to be reelected even if voters were not pleased with that legislator's performance. Only people who can influence the composition of the party's list can sanction legislators, so legislators have an incentive to represent those people who have influence with the party leaders controlling nominations.²⁸

Even with SMD-P and open-list PR elections that give people the capacity to use their vote to sanction a legislator directly (not indirectly by sanctioning the legislator's party), voters are still limited to choosing a candidate running in the election. The choice of candidates determines the value of attempting to sanction, because it determines how much representation is likely to change. If all candidates advocate policies or promise services the voter does not want, a different representative will not enhance representation. Thus we need to consider nomination institutions.

If independent candidate registration is easy, a legislator can run for reelection without their party's renomination, which diminishes the sanctioning capacity of people with influence over the party's nominating committee.²⁹ Parties may choose candidates through primaries, which allow people (rich and poor) to use their vote to sanction a legislator. Voting in a primary is a low-cost activity for persons who feel that their interests have not been represented, but its success as a sanction depends on many people casting similar votes.³⁰

28. Political insiders can limit the choice set available to political outsiders (Bachrach and Baratz 1970; Lukes 1974, 2005; Moe 2005). This can easily happen to poor people who lack influence with the party leaders who control nominations, while rich people have tools (e.g., connections or campaign donations) that influence those same party leaders.

29. Where party ID is strong, a legislator's chances of winning reelection may decrease without the party label to serve as a cheap signal to voters.

30. Nomination through primaries should advantage a principal with many potential like-minded voters, which could describe poor people in an electoral district with a mostly poor population. But Hagopian (1990) and Weyland (1996) argue that clientelism diminishes the ability of poor people to work collectively to signal their preferences to the state. How forms of clientelism affect the sanctioning ability of rich and poor people and legislators' strategy is discussed below.

If national party leaders control nominations and list position, a legislator should consider how a person with influence on party leaders will view their actions while in office.

Party system fragmentation, which is influenced by electoral institutions, also affects people's ability to sanction. In a highly fragmented party system, voters have many choices of parties and politicians with a reasonable chance of winning a seat in the legislature. This enhances opportunities to sanction an incumbent because there are many other parties for whom a voter can vote. It does not, however, guarantee that the voter (rich or poor) will receive greater representation from the new legislator or party. The new legislator may not be a "good type" whose policy/service interests resemble those of the voter, so once again the voter will need to monitor the legislator and have an effective means of sanctioning. Even if the new legislator has policy/service preferences that resemble the voter's preferences, the legislator will only be able to deliver on promises if the legislator is part of the president's coalition, which gives the legislator the opportunity to take part in policy decision making and access to resources from the executive branch for clientelistic representation. Where party fragmentation is high, it is unlikely that a politician or a party will be able to implement a policy pledge without building a coalition to support the bill, and coalitions typically require compromise that may mean the policy will be changed, watered down, or never actually delivered.

In sum, electoral rules and nomination procedures interact to influence the capacity of rich and poor people to sanction. If a legislator wants a political career and party leaders control ballot access and list position, then a person who has influence with party leaders can sanction the legislator. If people can vote directly for a specific candidate, both rich and poor people pay only a minimal cost (i.e., the act of voting) for attempting to sanction, but the sanction will only punish the legislator if many people vote the same way. These institutions also shape the legislator's preferences; for example, they may prompt a backbencher to want to become a party leader.

Forms of Clientelism

Clientelism affects the capacity of poor people to sanction and shapes politicians' career goals and strategies. Like Remmer (2007), I treat clientelism as a way that a politician can work to achieve professional aspirations, and not just as a function of the social composition of the electorate. Where clientelism is an important part of the institutional milieu of a country's politics—

particularly where it has a long history of influencing how people solve their problems—it may shape legislators' identities, prompting some to seek office to gain access to resources to expand their reputations as patrons.

Clientelism is an old institution in many Latin American countries, but it is neither static nor isolated from other institutions that became important in the recent democratic period (Kitschelt 2000). Clientelism is a system of exchange between unequal actors that has proven to be highly adaptive to urbanization, democratization, and economic change (see Valenzuela 1977; Kitschelt 2000; Roberts 2002; Calvo and Murillo 2004; Roniger 2004; Stokes 2005; Remmer 2007). Traditionally, clientelism flourished as a personal relationship common in rural areas, where the patron used his or her own resources to address client needs; yet clientelistic relationships have adapted to urban settings in democratic regimes. They still involve unequal actors, but the relationship may not be personal and often involves the exchange of votes and campaign work to boost the patron's prestige for immediate provision, or promise of future provision, of personal benefits or local infrastructure projects (Roniger 2004, 354; Kitschelt and Wilkinson 2007, 4; Remmer 2007). Clientelist politicians and parties provide selective incentives and club goods, the latter often taking the form of local infrastructure projects for a community of loyalist voters, or ones designed to exclude people who are not clients from getting to use the service (e.g., their children do not receive a scholarship to buy school supplies, or they cannot get an appointment with the clinic doctor) (Kitschelt 2000, 850).

In states that lack adequate resources for universal public services, clientelism is often used for connections that give people and communities access to public services (Valenzuela 1977, 154, 167; Roniger and Günes-Ayala 1994). Client-broker-patron relations are common, where the local broker is the connection between the client and the party. The broker obtains favors or services for the client and in return mobilizes party support (Lamarchand and Legg 1972; Kaufman 1974; Kettering 1988; Gay 1990; Hagopian 1990; Wilson 1990; Coppedge 1993; Brusco, Nazareno, and Stokes 2004, 77). Valenzuela (1977, 159–61) distinguishes brokerage politics from patron-client politics and interest group politics based on the nature of the transaction and its goals. Transactions that are individualistic in nature and have particularistic goals are classic patron-client relations, but brokers can also provide such services. Transactions that have categorical goals and are individualistic in nature (e.g., a public works project for a town) are examples of brokerage politics. Valenzuela expects brokerage politics to sometimes engage in transactions that are collective in

nature but with particularistic goals, which can also characterize interest group politics (e.g., when a broker gets a legislator to file a private bill for a community). Both patron-client and brokerage politics can produce “clientelistic representation,” and the recipient of benefits may be an individual, a local organization, or a community. A new incarnation of clientelism has come with neoliberal economic reforms as governments use social funds, often sponsored by the World Bank or the Inter-American Development Bank, to create jobs and reduce the harsh effects of economic restructuring on the poor. Social fund programs are intended to be demand-driven and formulaic in their allocation of funds to poor communities, but they can be a source of resources for clientelism. The banks accept this because it makes it more feasible for governments to adopt economic restructuring policies (see Gibson 1997; Schady 2000; Tandler 2000). I explain below that clientelism can take different forms that make it more or less costly for clients to sever connections to their patron or party.

Clientelism is often based on assumptions of loyalty and longer-term payoffs. Roniger (2004, 356) explains that “clientelist strategies not only are affected by immediate considerations of power and instrumentality, but often encompass longer evaluations of reciprocal benefits and commitment as the prerequisite to maintain ongoing relationships” (see also Magaloni, Diaz-Cayeros, and Estévez 2007). Auyero (2006, 180–81) characterized patron-client (or broker-client) relationships and networks in Buenos Aires shantytowns as long-term commitments, and he underscored the importance inner-circle members place on their friendship with their broker (see also Cleary and Stokes 2006). Stokes (2005, 318) notes that it may be appropriate to view clientelism as a repeated game where clientelist parties are old and well established in a community, though this assumption may not be appropriate where major parties are “young and hence less enmeshed in social networks.” Roberts (2002, 9) explains that in party systems based on a segmented cleavage structure, parties mobilize supporters and “structure electoral competition by generating organizational identities . . . and/or constructing rival patronage networks.” The rivalries across patronage networks are enduring, and “patronage networks and family or community socialization practices could lead individuals to develop stable party-mediated collective identities, particularly in nations where traditional oligarchic parties survived” (Roberts 2002, 13; see also Randall and Svåsand 2002, 22).

Clientelism can influence the career strategy of legislators where the state does not use universalistic or needs-based criteria to provide for basic services

(Scott 1969; Valenzuela 1977). “Legislators’ strategy depends on voters’ price and the amount of available resources. If a private-goods campaign is viable (legislators have sufficient private goods to attract votes), then such an approach will beat a public goods strategy” due to the ease of claiming credit for the services provided (Desposato 2001, 35).³¹ Even politicians who support state reform and policy over patronage may revert to providing clientelistic benefits to win elections when they learn that their party can neither maintain voter support if it attempts to provide policy benefits, nor build a winning coalition to get the policies adopted and implemented (Geddes 1994; Hunter 2007). Context matters because electoral institutions can either reinforce or weaken clientelism (Kitschelt 2000; Roniger 2004; Kitschelt and Wilkinson 2007; Scheiner 2007). Yet electoral institutions are not the single determining factor of whether politicians pursue clientelist linkages with voters. Kitschelt and Wilkinson (2007, 43) write, “Given otherwise favorable conditions, it appears that politicians find a way to ‘work around’ electoral institutions, when other imperatives make it attractive for instrumentally rational politicians to build clientelistic principal-agent relations.”

Clientelism as an institution can take different forms.³² One way clientelism institutions can vary is by whether clients form a connection directly with a patron or are part of a party’s clientele network. Where patrons have their own power base, clients can sell their electoral support to the patron who is the best provider, and if the patron fails to deliver, the client can vote for a new patron (Wilson 1990). The cost to a client of severing a relationship with an unsatisfactory patron is low because the client can search the “market” for another benefactor. Kitschelt and Wilkinson (2007, 13) refer to vote choice “elasticity” that is “a function of the probability that some competitor could offer the same or even more valuable targeted material goods to the constituency.” The client does face uncertainty, however, about whether the new patron will provide more benefits. One dissatisfied client will not hurt the incumbent, but defection by many poor clients could end a legislator’s career.

Where patrons are a link in a party’s clientele network, the client must sever their relationship with their party and affiliate with another party to obtain a new patron. This is very costly for the client, for whom being part of a particular clientele network and party is part of their identity (Roberts

31. Yiannakis (1982) found that members of the U.S. House of Representatives from poor districts were more likely to present a particularized credit-claiming style than were members from more prosperous districts.

32. See Kitschelt and Wilkinson (2007) for an extended discussion.

2002, 9). The cost to the client of severing a relationship with the patron is higher under party-based clientelism than where many individual patrons or brokers are in competition for clients. Here again, party system fragmentation affects how institutions work. Clientelism in a highly fragmented party system can give clients options of alternative patrons if they are not satisfied with the services they have received from their current patron. High party system fragmentation may force patrons to compete for clients, while in a political system with low party system fragmentation, clients' options are limited.

If there are few parties that have a chance of winning the executive branch and its access to state resources, clientelism produces "political subordination in exchange for material rewards," and the poor are obliged "to sacrifice their political rights if they want access to distributive programs" (Fox 1994, 153, 152). The cost of switching patrons (really parties) will be particularly high where resources are scarce. A party may conclude that it must reward longtime supporters/clients first, so the new member of a party's clientele network may receive few, if any, benefits.³³ If the major reason a client has stayed with a party while it was out of power (i.e., while the client received no benefits from state coffers) is that the client expects to receive benefits when the party is back in power, then the party must deliver or risk losing active supporters. If government coffers are deep, it would be feasible to give rewards to new and longtime supporters, but if resources are limited they will be targeted to retain support of clients with a proven record of party activism. A client who is dissatisfied with the benefits provided by a party's clientele network can vote for another party, but severing a longtime relationship with a party will put the client at the end of the line for benefits from the new party's clientele network. The client will have to demonstrate affiliation to the new party by helping in campaigns, attending rallies, and becoming

33. This contradicts the argument made by Stokes (2005) that parties will target clientelism benefits at swing voters. But Stokes assumes that constituents have an ideological commitment to the party, which means voters would pay an emotional cost if they voted against their party. The voter's cost-benefit analysis will be different if party preference is not based on ideology, but rather on expectations of clientelistic benefits. It is also noteworthy that the one prediction of Stokes's formal model that is not clearly supported by her Argentine survey data concerns the party machine targeting benefits to swing voters and discriminating against supporters. Peronist sympathizers were likely to receive rewards, though the machine did discriminate against *ardent* supporters. According to Dixit and Londregan (1996), the choice of whether to distribute benefits to core supporters or swing voters is determined by whether incumbents can more effectively distribute benefits and collect taxes from supporters. They also expect that the less a group of voters is attached to a party by ideology, the more material rewards they should receive. Magaloni, Diaz-Cayeros, and Estévez (2007) also argue that parties invest clientelistic resources, especially particularistic benefits, in core supporters.

a local activist-organizer, and that takes time. In sum, party-based clientele networks weaken the sanctioning capacity of poor people who need a patron. The poor voter is not indifferent across parties, and the cost of sanctioning (the possible loss of patronage benefits) is high, so the patron can be less concerned that dissatisfied clients will quickly defect even if the clientelistic representation provided is not extensive.

This argument breaks down if the poor client receives *no* benefits from a patron/party. Then, even if the poor person is unlikely to immediately begin receiving benefits upon switching parties, the hope of eventually receiving some clientelistic benefit, combined with losing nothing, makes it feasible to switch parties—unless the former patron has the capacity to take vindictive action against the defector, in which case we would question the democratic nature of the political system.

A second important variable affecting the form of clientelism is whether patrons are dependent on membership in the governing party for access to state resources.³⁴ If governing party membership is required for access, then legislators seeking to build reputations as powerful local patrons will be particularly affected by their party winning the presidency, as it will affect the legislator's decision about seeking reelection. This variable also constrains the client's sanctioning options because alternative patrons are only valuable if their party will be in government. If the party system is fragmented and the executive must form a coalition to pass legislation, a patron can gain access to state resources by joining the president's legislative coalition in exchange for clientelistic resources. A legislator who can switch parties without personal political career costs can join a party with access to the state's clientelistic resources (Hagopian 1990; Desposato 2001, 2006b). These options increase the parties from which a client can choose when using the vote to sanction and decrease the risk to the poor client that a new patron will lack access to clientelistic resources.³⁵

In sum, the cost to a poor person of sanctioning is affected by the form of the clientelism institution. If clientelism is based on direct relations between

34. See Calvo and Murillo (2004) for an analysis of how access to public funds affects the supply-side advantages of a patronage election strategy.

35. A similar perspective on how clientelism is affected by access to state resources refers to "externally" and "internally" mobilized political parties (Piattoni 2001; Roniger 2004). Externally mobilized parties do not occupy positions of power and therefore cannot use patronage to build support, so they try to appeal to voters with programmatic appeals. Internally mobilized parties have access to state resources, so they can choose whether to focus on patronage or policy (see also Hagopian 2009).

patrons and clients, dissatisfied clients can search for a new patron at low cost to themselves, provided there are alternative patrons.³⁶ If clientelism works through party-based networks, a client must establish a relationship with a new party to attempt to get improved clientelistic benefits—a more risky and costly prospect. If presidents must form coalitions to pass legislation, any legislator from any party could barter with the president to obtain access to clientelistic resources. If members of the president's party are the only ones who have access to state resources, this limits the market of patrons from whom the client can choose when attempting to sanction.

Clientelism may help legislators to represent both rich and poor constituents. The rich may want national policies that the poor cannot monitor, or that poor people view as unlikely to be implemented in a timely fashion or to directly affect them (e.g., increasing the safety of bank deposits or regulating private school tuition). In that case, a legislator can address the rich person's national policy preferences without the poor person wanting to sanction. Meanwhile, the legislator can deliver clientelistic benefits to poor people. Clientelistic benefits may be the policy/service package the poor person desires because they are cheap to monitor and their value is clear. The legislator's clientelistic work could also win favor with the rich person who receives the contract to build a local public works project. In this scenario, poor and rich people do not have incompatible policy preferences; they are interested in different things and representing both should be feasible, unless the government's budget is so limited that it cannot afford to fund both policies and services.

One final point about clientelism must be addressed: how is a clientelistic relationship enforced when clientelism operates in a democratic context? (Desposato 2001; Piattoni 2001; Roniger 2004; Stokes 2005). How can a patron, broker, or political machine insure clients are holding up their end of the deal when balloting is secret? Stokes (2005, 315) starkly states the importance of this issue: "If voters can renege, then machines should not waste scarce resources on them and clientelist politics breaks down." But as clientelism has proven itself to be robust and able to adapt to the new political reality of democracy, patrons must have ways to "police" their deals with clients, even if they are imperfect.

36. Ames (2001, 79) argues that this is why Brazilian deputies try to insulate themselves against incursions by competitors, "because the deputies know that barriers to entry, by eliminating competition, reduce campaign costs."

First, clients deliver not just votes, but also campaign activity for their patron. For example, clients are expected to turn out at campaign events organized by a broker. This participation can be observed as it is inherently public. How an individual client votes cannot be observed under democratic conditions of secret balloting,³⁷ but the patron (or the patron's agent, who may be the party's official observer at the polling place) can observe who actually turns out to vote (Nichter 2008), and this can put pressure on clients where precincts are small (Chandra 2004; Stokes 2005; Magaloni, Diaz-Cayeros, and Estévez 2007, 183–87; Scheiner 2007, 280–81). Stokes (2005, 317) explains that party poll watchers can be quite effective, especially in small towns and neighborhoods where people have known one another for a long time. It is “hard for voters to dissemble before people they've known all their lives: as one grassroots party organizer in Argentina explained, you know if a neighbor voted against your party if they can't look you in the eye on election day.”³⁸ In a 2003 survey in Argentina, 37 percent of respondents said “party operatives can find out how a person in your neighborhood has voted” (Stokes 2005, 318).

Second, if a patron-client relationship is a repeated game, rewards can be conditioned on clients' inferred votes (see Schady 2000, 290).³⁹ Parties and patrons gather information about a client/voter's “predisposition for or against the machine” (Stokes 2005, 317). For a repeated game of clientelism to work, the party or patron does not have to have private resources to distribute goods to its clients even when it is out of power (Stokes 2005, 319), though it might be able to do so. The party can retain the loyalty of clients if clients think their party is likely to be in power in the next government and they will receive benefits then.

Third, parties or patrons can observe the final vote count at the precinct level. With this information, which is publicly available from the elections tribunal, they can determine whether a community they worked to organize voted as expected; and if it did not, the whole community can be punished (Chandra 2007).

Finally, patrons can use micromanaging methods to control how clients vote. Patrons can structure particularistic benefits so that part of the benefit

37. Some countries, such as Argentina, get around this problem by using party strip ballots provided by the patron (Stokes 2005).

38. Archer (1990) and Álvaro (2007) describe clientelism in Colombia where such intimidation practices are common and effective, particularly in rural areas.

39. Kitschelt and Wilkinson (2007, 8) explain that “clients and politicians gain confidence in the viability of their relationship by iteration, i.e., the repeated success of exchange relations that makes the behavior of the exchange partner appear predictable and low risk.”

is not received until after the election, and then only if the patron is victorious (e.g., delivering only half of a pressure cooker before the election; see Ames 2001, 82).

Do Institutions Create Incentives to Represent Poor People?

The central question of this book concerns when legislators have an incentive to represent poor people. Poor people are typically at an informational disadvantage relative to rich people, except with respect to delivery of particularistic goods and local services. Again, poor peoples' sanctioning tools are often blunt and costly compared to tools rich people can use. Thus it appears more risky for a legislator to neglect a rich constituent than a poor one. Yet this conclusion needs to be more nuanced and take into account institutional context. A legislator who wants to continue a political career must consider the likelihood that *either* rich or poor people will notice shirking and be able to sanction. We must also consider how institutions shape legislators' identities and why they want seats in the congress.

If we think of a legislator's strategy decision as a game, first the legislator decides whether to represent rich or poor constituents, both, or neither. The legislator's payoff comes from how close the policy/service level is to the legislator's preference,⁴⁰ and how much the legislator values continuing a political career and the chance of getting to do so. Other components to the payoff could include the value of strengthening democracy or of rising within a party.

Next, poor and rich people decide whether to sanction. Their decision is based on awareness of the legislator's activities (monitoring) and how much they think a new representative would improve policy/service (V), the cost they incur for attempting to sanction (c), and how many people must sanction to end the legislator's career (n^*). This decision resembles a step-level public goods game "where N players decide whether or not to 'contribute' at cost c . If the total number of contributions meets or exceeds some threshold n^* , then the public good is provided and all players receive a fixed return, V , whether or not they contributed" (Goeree and Holt 2005, 208).

Particularly if we assume that a poor person incurs the cost of sanctioning regardless of whether sufficient people sanction for it to be successful (e.g., a

40. A legislator may first decide whether to invest resources in policy development (proposing bills, amendments, committee work), and then, if yes, select a policy.

client loses their relationship with their patron, a protestor risks arrest, a striker risks being fired), sanctioning is a costly activity for poor people, which makes them less likely to monitor elected officials, as they are unlikely to be able to do anything about performance they do not like. But poor peoples' cost for attempting to sanction can decrease under some conditions. If a legislator does not deliver on promises, losing the legislator as a patron does not hurt the poor person. The state may be able to arrest or attack protestors if their numbers are small, but if protests become large and frequent, attacking the protestors can be costly for the state. Still, uncertainty about how many sanctioners are needed makes it difficult for a poor person to decide whether it is worthwhile to sanction (Goeree and Holt 2005).

Croson and Marks (2000) propose a "step return," which is the ratio of social value to cost, or NV/n^*c . Based on this "step return function," the probability a poor person would sanction should increase with the number of people who are dissatisfied with the performance of elected officials (N) or the magnitude of the improvement in policy/service expected from replacing the official (V). The probability of a sanction attempt should also increase as the cost of sanctioning (c) or the number of sanctioners needed to make the sanctioning effort successful (n^*) decreases.

Rich people may have opportunities as individuals or by acting in very small numbers to end a legislator's political career (n^* is small). This, again, means that not only do rich people often have greater capacity to monitor, but it is easier for a rich person to assess the utility of sanctioning. For example, if party leaders control nominations, a rich person who has influence with party leaders can insure a legislator is not renominated, or is moved to an "unelectable" position on the party's list.

The largest benefit (V) for a poor or rich person would be a new representative who provides their ideal policy/service package. The cost of sanctioning (c) is determined by the sanctioning resources a rich or poor person can attempt to use and what benefits they would sacrifice by severing their relationship with the politician (which are determined by the country's institutions). Again, sanctioning costs are generally higher for poor than for rich people. Consequently a poor person is less likely than a rich person to view sanctioning as worthwhile, unless the poor person expects to get much greater benefits (representation) from a different representative, or the poor person in fact is receiving no benefits and does not expect to receive any, and many other poor people are similarly frustrated.

Some institutions limit a poor person's ability to monitor a legislator's actions and only allow poor people to sanction in ways that require collective action.

In this case, a poor person who thinks too few people will participate for sanctioning to succeed should not sanction because he or she would personally pay some cost (e.g., lost personalistic benefits or possibly lost infrastructure projects for their community) and would receive no benefit. Under such institutions, a legislator would seem to have little need to provide more than minimal representation to poor people to avoid a career-disrupting sanction. But some institutions do increase the value to a legislator of maintaining the support of many voters rather than the backing of a single party leader (e.g., nominations where party leaders consider a candidate's extent of local support when selecting nominees for the party's list).

These considerations predict that legislators will have little incentive to represent poor people in national policy. A representative elected under the banner of a party whose ideology defended the poor could work on reformist legislation without risking sanction by party leaders.⁴¹ Still, if the legislator could not shepherd initiatives through the legislature and the policy implementation process, poor people would not benefit from the policy and would be unlikely to reward the legislator's efforts. Aside from the special case where a legislator is a "good type," the main way that (some) institutions give legislators an incentive to represent poor people is by providing particularistic benefits and local infrastructure projects for communities of loyalists. Such works are easy for poor people to monitor, and a legislator can claim credit for providing such services and make sure delivery occurs before the next election. Even clientelistic representation is not assured if poor people lack effective tools to sanction a legislator who does not deliver sufficient clientelistic benefits, or if the legislator does not have access to government resources to provide such representation because the legislator's party is in the opposition and party switching is costly.

In conclusion, poor and rich people have differing capacities to monitor the work of elected officials, and institutions affect the capacity of poor and rich people to sanction. Institutions also shape a legislator's career strategy, identity, and motivation for a congressional seat. How legislators define their jobs, combined with the constraints that are placed on poor and rich people and elected officials by institutions in a particular political system, determine whether poor people will be represented, and how.

41. Party rhetoric may include helping the poor, but as poor people often complain in Latin America, politicians and parties reach out to them at election time but forget their promises once in office (Posner 1999).