

Università Bocconi. PhD in Economics.
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PhD Thesis. Essays on Political Economics and Development.
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Chapter 1. *A Few Signatures Matter: Candidates' Entry Requirements in Italian Local Elections.*

Signature requirements (that is, asking potential candidates to collect signatures among eligible voters to participate in an election) are used in democracies all around the world to regulate the submission of political candidatures. This paper examines the causal effect of signature requirements on different electoral outcomes.

I use data on Italian municipalities and apply a regression discontinuity design (RDD) -exploiting that signature requirements are only present in municipalities of more than 1000 inhabitants- to estimate the effect of these requirements on electoral competition, candidates' selection and voters participation.

I find that asking citizens to collect subscriptions significantly reduces the number of candidates and non-marginal candidates, decreases electoral competition, and leads to an older pool of candidates. Signature requirements lead also to a large drop in voters' electoral participation. These results allow to disentangle the mechanisms at play, pointing to signature requirements acting more as non-trivial running costs discouraging potentially non-marginal candidates than just as a screening tool to avoid frivolous ones.

I propose a model that incorporates the notion of signature requirements as running costs and considers civic capital (understood as the prevalence of social norms that constraint incumbents' misbehaviour and sectarianism) as a factor affecting the relative importance of these costs. Empirical results -using blood donations and trust attitudes to capture the underlying level of civic capital- support the model's interpretation of signature requirements and help discard alternative explanations.

Findings highlight that the impact of signature requirements goes beyond the stated goal of ensuring the representativeness of the candidates, and call for a careful normative evaluation of this policy.

Chapter 2. *Entrepreneurship and Life-Skills Training: Using Centralized Assignment to Evaluate Subsidized Programs in Argentina.* (joint with Diego Ubfal)

We evaluate the short-term impact of an entrepreneurship training program and a life-skills training program offered by the municipal government of the city of Buenos Aires, Argentina. We implemented a centralized assignment mechanism to allocate seats in different schools accounting for people's preferences over schools. To fully exploit the random variation in treatment assignment generated by the centralized mechanism (and separate it from the one generated by non-random preferences), we use a propensity score stratification, as recently proposed by Abdulkadiroglu, Angrist, Narita and Pathak (2017). To compute the propensity score analytically we further rely on results by Che and Kojima (2010). Using survey-based information collected three months after the courses, we find a positive impact on course-related knowledge for both programs. Entrepreneurship training helps participants start a business

from an initial idea, thus leading to more business ownership and self-employment. Life-skills training leads to higher job-search rates. There are no significant effects on soft-skills, such as locus of control, empathy or self-efficacy.

Chapter 3. *Paying Politicians: A (Semi-)Structural Approach.*

I use a semi-structural approach to address the relationship between wages paid to politicians, citizens' decision to participate in politics, and their behaviour and performance in office. I build on recent advances in the political economics literature (Aruoba, Drazen and Vlaicu, 2015) seeking to better quantify and disentangle the different mechanisms at play, and provide a stronger link to the theoretical literature and clearer policy implications.

I estimate the model by Aruoba et al (2015) using the data on Italian municipalities collected by Gagliarducci and Nannicini (2013). I rely on the structure proposed by Aruoba et al (2015) to identify unobservable characteristics of the political environment (quality of politicians, proportion of office-motivated and intrinsic-motivated candidates, among others) in two comparable samples of Italian municipalities with different wages, exploiting a discontinuity in mayors' wages determined by the Italian law. This institutional setting provides arguably exogenous variation in wages (Gagliarducci and Nannicini, 2013) that allows to attribute the differences in parameters' estimates to the change in wages.

Results show that higher wages lead to a pool of more able but also more office-motivated politicians. Overall, better remunerations lead to better average performance. The effect is mainly driven by the change in candidates' skills, but it is also favoured by an enhanced effect of elections, which allow to better discipline and screen out bad incumbents.

References

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- [4] Gagliarducci, S. and T. Nannicini (2013). Do better paid politicians perform better? disentangling incentives from selection. *Journal of the European Economic Association* 11(2), 369–398.