

**Counting Heads: A Theory of Voter and Elite Behaviour in Patronage-Democracies**

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### *Abstract*

The observation that patronage politics and expectations of ethnic favouritism tend to go together reflects a well documented consensus among scholars who study either patronage or ethnicity. There is no consensus, however, on the cause of this association. The principal variables that have been suggested to account for this association include institutional legacies that privilege ethnic identities; a presumed cultural similarity which makes patronage transactions between co-ethnics easier than transactions with non co-ethnics; and the functional superiority of ethnic networks. This chapter proposes a theory of individual voter and elite behaviour in "patronage-democracies" which identifies a distinct, *cognitive*, mechanism explaining the association. The voting decision in such democracies, I argue here, is shrouded in severe information constraints. Such severe information constraints produce a self-enforcing and self-reinforcing equilibrium of ethnic favouritism in patronage democracies that should exist in the absence of institutional legacies, cultural similarities, and network ties binding co-ethnics. Throughout, my focus is on the behaviour of *individual* voters and elites. In the broader project of which this chapter is a part, I relate the individual microfoundations developed here to the behaviour of aggregates such as political parties and organizations.

## COUNTING HEADS:

### A THEORY OF VOTER AND ELITE BEHAVIOUR IN PATRONAGE DEMOCRACIES<sup>1</sup>

The observation that patronage politics and expectations of ethnic favouritism go together is supported by a well-documented consensus among scholars of patronage democracies. According to Kearney, a student of Sri Lanka: "A common expectation seems to be that a person holding a public office or other position of power will use his position for the near-exclusive benefit of his "own" people, defined by kinship, community or personal loyalty."<sup>2</sup> According to Haroun Adamu, a student of Nigerian politics: "It is strongly believed in this country that if you do not have one of your own kin in the local, state and/or national decision-making bodies, nobody would care to take your troubles before the decision makers, much less find solutions to them."<sup>3</sup> Kenneth Post's description of elections in Nigeria emphasizes much the same point: "It was rare for a man to stand for election in a constituency which did not contain the community in which he was born. It did not matter if he had been educated elsewhere and had his business interests outside the community in which he was born, so long as he regarded it as his home. He would still be a better representative for it than someone

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<sup>1</sup> This chapter is excerpted from Chapters 1 and 2 of Kanchan Chandra, *Why Ethnic Parties Succeed: Patronage and Ethnic Headcounts in India* (Cambridge University Press, 2004)

<sup>2</sup> Robert Kearney, *The Politics of Ceylon (Sri Lanka)*. (Ithaca: Cornell University Press, 1973), 8.

<sup>3</sup> Cited in Richard Joseph, *Democracy and Prebendal Politics in Nigeria* (Cambridge: Cambridge University Press 1987), 67.

who came from outside, who could not even speak in the same tongue.”<sup>4</sup> According to Chabal, speaking of Africa in general: “All politicians, whether elected locally or nationally, are expected to act as the spokespeople and torchbearers of their community.”<sup>5</sup> And Posner’s investigation of voter expectations in Zambia in the 1990s found that the assumption that politicians in power will favour their own ethnic group was practically “an axiom of politics.”<sup>6</sup>

This chapter proposes a theory of individual voter and elite behaviour in “patronage democracies” which explains expectations of ethnic favouritism as an outcome of the information constraints that characterize patronage transactions in such democracies. Situations in which observers have to distinguish between individuals under severe information constraints, I argue, bias them towards schemes of ethnic categorization. The voting decision in a patronage democracy is such a limited information situation. Consequently, voters are biased towards ethnic categorizations of the beneficiaries of patronage transactions. Confronted with voter biases, I show why elites are forced to favour voters from their “own” categories in their search for office. And voters, observing in turn that politician help their “own,” but unaware that their own perceptual biases drive elites to adopt such a strategy, place their trust primarily in co-ethnic politicians, leading to a self-enforcing and reinforcing

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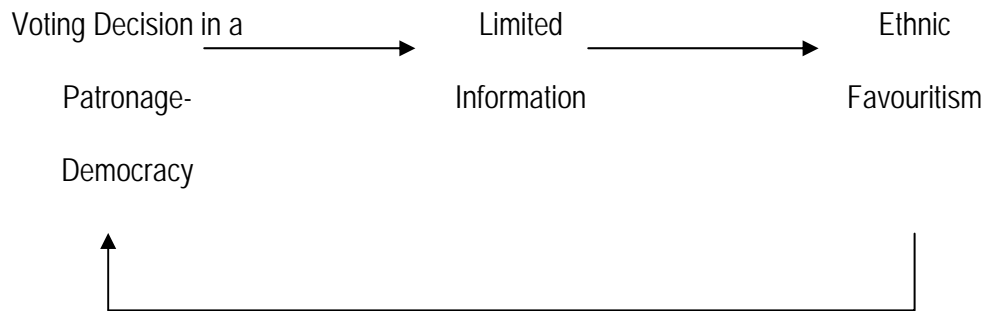
<sup>4</sup> Kenneth Post, *The Nigerian Federal Election of 1959*. (London: Oxford University Press, 1963), 391.

<sup>5</sup> Patrick Chabal and Jean-Pascal Daloz, *Africa Works*. (Oxford: International African Institute, 1999), 99.

<sup>6</sup> Daniel Posner, “Institutional Origins of Ethnic Politics in Zambia.” (Ph.D Dissertation, Harvard University, 1998),

equilibrium of ethnic favouritism in patronage democracies. This theory is summarized in the diagram below:

Figure 1.1: Self Re-inforcing Equilibrium of Ethnic Favouritism



Section I elaborates upon the concept of a “patronage-democracy.” Section II lays out the theory identifying the link between limited information, patronage-democracy and a politics of ethnic favouritism. Section III identifies factors which mitigate the information constraints under which the voting decision is made in patronage-democracies and therefore reduce the likelihood of ethnic favouritism. Throughout, my focus is on the behaviour of *individual* voters and elites. In the broader project of which this chapter is a part, I relate the individual microfoundations developed here to the behaviour of aggregates such as political parties and

organizations.<sup>7</sup> I use the terms politician or political entrepreneur to mean any individual seeking to obtain or retain elected office. Among politicians, I distinguish between candidates (those who seek to obtain office) and incumbents (those who seek to retain office). In patronage democracies, those who have the capital to launch a political career tend to be "elites" i.e. upwardly mobile middle class individuals, better educated and better off than the voters whom they seek to mobilize. I use the term "elite" interchangeably, therefore, with the terms "politician," "candidate" "incumbent" and "entrepreneur" in this chapter.

### *1. The Concept of "Patronage Democracy."*

I use the term "democracy" here in a minimal sense to mean simply a system in which the political leadership is chosen through competitive elections.<sup>8</sup> By the term "patronage-democracy," I mean democracies in which the state has a relative monopoly on jobs and services, and in which elected officials enjoy significant discretion in the implementation of laws allocating the jobs and services at the disposal of the state. The term "patronage-democracy" may apply to a political system as a whole, or to a subsystem within it.

The key aspect of a patronage democracy is not simply the size of the state but the power of elected officials to distribute the vast resources controlled by the state to voters on an

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<sup>7</sup> Kanchan Chandra, *Why Ethnic Parties Succeed: Patronage and Ethnic Headcounts in India* (Cambridge University Press, 2004)

<sup>8</sup> Samuel Huntington. *The Third Wave: Democratization in the Late Twentieth Century*. (Norman: University of Oklahoma Press, 1991), 7.

*individualized* basis through their discretion in the implementation of state policy. This individualized distribution of resources, in conjunction with a dominant state, I will argue, makes patronage democracies a distinct family of democracies with distinct types of voter and elite behaviour. A democracy is not patronage based if the private sector is larger than the public sector as a source of jobs and provider of services, or if those who control the distribution of state resources and services cannot exercise discretion in the implementation of policy concerning their distribution.

Before going further, let me clarify the relationship between the term “patronage politics” as used in this chapter and other terms which have slightly different meanings but are often used interchangeably: “rent-seeking”; “corruption”; “clientelism” and “pork-barrel politics.”

The terms “rent-seeking” and “corruption” typically refer to the sale of public goods for private gain, without specifying whether that private gain takes the form of wealth or political support. I use the term “patronage politics” here to refer to that form of rent-seeking and corruption in which the returns to politicians take the form of votes rather than bribes.

The term “clientelism” is often used, especially in anthropological studies, to refer to a dyadic transaction between traditional notables and their dependents bound by ties of reciprocity. While “patronage politics” as used here certainly describes dyadic transactions between voters and politicians, the definition does not require voters and politicians to be connected by traditional status roles or traditional ties of social and economic dependence. In

fact, as I will show later, voters and politicians can end up in a relationship of mutual obligation to each other without such pre-existing ties. The use of the term “patronage politics,” thus, is distinct from the traditional anthropological usage of the term “clientelism.” However, in the introduction to this book, the term clientelism is differently defined to mean “a particular mode of exchange between electoral constituencies as principals and politicians as agents in democratic systems.” (Page XXX). This definition of clientelism is consistent with my use of the term “patronage politics.” Indeed, Kitschelt and Wilkinson use the terms patronage and clientelism interchangeably.

Finally, the term “pork barrel politics” refers primarily to the practice of courting voter support through policy legislation (especially budgetary allocations). The term “patronage politics” as used here refers to an attempt to court support not by promising some group of voters favourable *legislation* but assuring them of favourable *implementation*. For instance, an attempt to obtain the support of farmers by enacting a law providing them with subsidies on inputs would fall into the category of pork-barrel politics. The term “patronage politics” as used here does not describe the enactment of such legislation. However, let's imagine that in order to procure such a subsidy, farmers have first to obtain a certificate of eligibility from some politician with discretionary power over the distribution of such certificates. If such a politician courts the support of some farmers rather than others by promising to selectively employ his discretionary power in their favour, the transaction would be classified as a “patronage” transaction according to this chapter. Although the term “patronage-politics” is often used



interchangeably with “pork-barrel” politics,<sup>9</sup> this distinction between the two terms is important. The collective transfer of goods to citizens through policy legislation produces different political outcomes from the individualized transfer of goods through policy implementation.

## *II Theory of Voter and Elite Behaviour in Patronage Democracies*

In a patronage democracy, obtaining control of the state is the principal means of obtaining both a better livelihood and higher status. Elected office or government jobs, rather than the private sector, become the principal source of employment. And because individuals who control the state are in a position of power over the lives of others, it also brings with it higher status. Those who have the capital to launch a political career in patronage-democracies, therefore, seek political office. And for those who do not, obtaining access to those who control the state becomes the principal source of both material and psychic benefits. Proximity to a state official increases a voter’s chances of obtaining valued state resources and services. At the same time, it affords the voter the chance to bask in the reflected glory of his patron’s power. Patronage-democracies, therefore, produce an overwhelming preoccupation with politics on the part of both elites and voters seeking both material and psychic goods.<sup>10</sup>

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<sup>9</sup> For instance, see Barry Ames, *Political Survival: Politicians and Public Policy in Latin America*. (Berkeley: University of California Press, 1987); Barbara Geddes, *Politician’s Dilemma: Building State Capacity in Latin America*. (Berkeley: University of California Press, 1994); and Allyson Lucinda Benton, “Stability of Provincial Party Systems.” Ph.D. Dissertation, University of California Los Angeles, 2001.

<sup>10</sup> See for instance William Riordon, *Plunkitt of Tammany Hall* (Boston: Bedford Books, 1994); Joseph, *Democracy and Prebendal Politics*, 1987.

The propositions in this section explain when and why these overwhelmingly politicized populations are likely to organize their struggle along ethnic lines. Propositions 1-8 explain why voters in patronage democracies should expect elites to favour co-ethnic elites rather than others in the distribution of material benefits. Proposition 9 explains why voters expect to obtain psychic benefits also from elites from their "own" ethnic group rather than elites with whom they share other bases of group affiliation. Proposition 10 shows how these expectations result in a self-enforcing and reinforcing equilibrium of ethnic favouritism in patronage democracies.

*II.1 Politicians in patronage democracies have an incentive to collect rents on policy implementation.*

In any society in which the state has monopolistic or near monopolistic control over valued benefits, and elected officials have discretionary power in the implementation of policy concerning the distribution of benefits, these officials have incentives to market these benefits for above their actual value.<sup>11</sup> Basic goods and services, which all citizens should have automatic access to, become commodities on which officials can collect rents. Officials who decide whose village gets a road, who gets the houses financed by a government housing scheme, whose areas get priority in providing drinking water, whose son gets a government

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<sup>11</sup> This section draws on the extensive literature on rent-seeking and corruption, including, particularly, Robert Bates, *Markets and States in Tropical Africa*. (Berkeley: University of California Press, 1981); Douglass North, *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990); James Scott, *Comparative Political Corruption* (Englewood NJ: Prentice-Hall, 1972).

job, whose wife gets access to a bed in a government hospital, and who gets a government loan, are in a position to extract rents from beneficiaries for favouring them over other applicants. I have used here examples of the opportunities for rent seeking by elected officials in their dealings with the poor, who seek basic necessities. However, similar opportunities also exist in dealings with the rich. Industrialists, for example, who need access to land, permits for building, or licenses for marketing their products, are similarly subject to the discretionary power of state officials, and so offer them similar opportunities for rent-seeking.

In patronage-driven states that are not democratic, the rents that elected officials seek are likely to take the form of private wealth such as money, assets, and land. In patronage democracies, although rents are also sought in these forms, votes are the most lucrative form of rent, since they provide the opportunity for continued control of the state. Wherever “patronage democracies” exist, therefore, we should also see a black market for state resources where the currency is votes, and the clients are voters. Incumbent and aspiring candidates in such democracies should court voter support by making selective promises about whom they will favour in policy implementation if they win.

This black market, it is important to note, comprises of *retail* transactions in which customers are individuals rather than *wholesale* transactions, in which customers are entire blocs of voters. Wholesale transactions can only take place through policy legislation, which applies simultaneously to large groups of individuals at one stroke. Policy implementation, however, is of necessity a retail enterprise that applies piecemeal to individuals who come

forward to claim the resources and services made available to some collective through policy legislation. Throughout the chapter, I will refer to this retail black-marketing of promises to implement policy in return for votes as “patronage politics.”

One immediate objection needs to be addressed before describing the features of this black market and its implications for the character of politics in patronage democracies. Does a secret ballot not prevent the operation of such a black market? Under a secret ballot, there is nothing to deter voters from cheating, by promising their votes to one candidate while casting them in favour of another. Knowing that they cannot enforce their contract, why should elected officials sell state resources on the electoral market?

Voting procedures in patronage-democracies, however, are unlikely to be secret, or perceived to be secret, for reasons I elaborate on below. First, given the strong incentives that candidates in patronage-democracies have to obtain information about how voters vote, we should see regular attempts to subvert the secrecy of the ballot by exploiting loopholes in the design of the voting procedure. Such subversion is made possible by the difficulty of designing and implement a “fool-proof” secret ballot. Consider the following examples. In municipal elections in the city of New Haven, a voter who voted for the party ticket for all fifteen municipal offices could do so simply by pulling a lever. Those who chose to split their votes between the two parties for individual candidates could do so only through a time consuming procedure. Even though the ballot was officially “secret,” the method of casting the ballot provided a clear signal about how the individual voted. As Wolfinger points out: “To observers in the polling

place, the length of time the voter spent in the booth revealed the strength of his devotion to the party ticket, particularly since a bell would ring when either party lever was pulled. This arrangement ...was an important inducement to straight-ticket voting."<sup>12</sup> A second example comes from the procedure through which votes are counted. According to Schaffer's description of the 1993 elections in Senegal, each polling station accommodated an average of about two hundred voters. The ballots were then counted at each station and posted publicly. As Schaffer notes of this procedure: "Where the electoral choice of each individual elector remained secret, the aggregate results for each (larger) village or group of (smaller) villages did not. Consequently, local level political patrons were still able to gauge the effectiveness of their efforts and the overall compliance of relatively small groups of voters."<sup>13</sup> In India, the procedure of counting votes by polling stations revealed voting patterns by locality until it was recently eliminated. In each of these cases, the secret ballot was implemented to the letter. However, in each case, politicians with an incentive to know how voters voted were able to subvert the secrecy of the ballot by exploiting loopholes in its implementation. Newer and more effective methods of secret balloting, furthermore, are likely to be met only with newer and more effective methods of subversion. For instance, as Schaffer points out of the introduction of the Ballot Act of 1872 in England: "[It] put an end to most flagrant forms of vote

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<sup>12</sup> Raymond Wolfinger, *The Politics of Progress*. (Englewood Cliffs NJ: Prentice-Hall, 1974), 23.

<sup>13</sup> Frederic Schaffer, *Democracy in Translation*. (Ithaca: Cornell University Press, 1998), 136.

buying. More subtle forms of bribery were then invented."<sup>14</sup> Similarly, electoral reform in Senegal in 1993 "simply forced patrons to devise new methods of surveillance."<sup>15</sup>

Second, even in cases in which the secret ballot is somehow insulated from subversion, voters in patronage democracies are unlikely to *believe* that their vote is secret. In a democracy in which elected officials enjoy discretion in the implementation of most laws and procedures, why should voters trust that voting procedures are somehow an exception? The *perception* that voting procedures are subject to the same type of discretion as other policies should deter cheating and encourage the sale of goods and services in return for votes in the same way as if the ballot were actually secret. Rather than seeing the secret ballot and trust in the secret ballot as exogenous constraints on the functioning of such a black market, therefore, we should see them as among the early endogenous casualties of a patronage-democracy.

*II.2 Voters in patronage democracies have an incentive to use their votes as instruments to extract material benefits.*

Since Mancur Olson published *The Logic of Collective Action*<sup>16</sup>, we have presumed that there are few instrumental reasons to vote.<sup>17</sup> This presumption rests upon two

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<sup>14</sup> Schaffer, *Democracy in Translation*, 135.

<sup>15</sup> Schaffer, *Democracy in Translation*, 136.

<sup>16</sup> Mancur Olson, *The Logic of Collective Action*. (Cambridge: Harvard University Press, 1971).

<sup>17</sup> For attempts to explain the decision to vote within a rational choice framework, see Morris P. Fiorina, "The Voting Decision: Instrumental and Expressive Aspects." *The Journal of Politics* 38, no. 2, (1976): 390-413, and John Aldrich, "Rational Choice and Turnout," *American Journal of Political Science* 37, no. 1, (1993): 246-278.

propositions: 1) The benefit from voting is typically in the form of policy legislation, which all individuals would benefit from, regardless of whether or not they vote. 2) Any single vote is not likely to affect the electoral outcome. Since her vote is not likely to affect the outcome, and since she will benefit if his preferred candidate wins whether or not she votes, it always makes sense for a rational individual to abstain from voting. Consequently, we expect that those who vote do so for expressive reasons: perhaps because they think it is what good citizens should do; perhaps because their parents did; perhaps because they want to stand up and be counted for what they believe in; or perhaps because of the satisfaction of going to the polling booth with friends and companions. In each of these examples, it is the *act* of voting rather than the *outcome* which gives them satisfaction.

For most voters in patronage democracies, however, a single motivation overrides the rest: the need to secure some of the vast material benefits at the disposal of those who implement policy. Such material benefits are highly valued, scarce, and most importantly, private: as the examples above illustrate, they are distributed in retail transactions to individuals (e.g. jobs, medical care, university admissions, housing loans, land grants) and the micro-communities which they represent (e.g. roads, schools, electricity, water). And the vote is the currency through which individuals secure such goods for themselves or their micro-communities. The “expressive benefits” provided by the act of voting are ephemeral. The pleasure of doing the right thing, or performing a traditional act, or registering an opinion, or participating in shared group activity does not last beyond the brief moment of casting the vote. The ephemeral expressive benefits provided by the act of voting are overshadowed by its utility

as an instrument through which to secure the protection, services and opportunities at the disposal of elected officials. While we might certainly find “expressive voters,” in patronage-democracies, they are likely to be composed mainly of that minority of voters who, within these societies, are relatively independent of the state. Most voters in patronage-democracies, however, should be instrumental actors, who use their vote as a means through which to extract material benefits from competing candidates.

Voting in patronage-democracies, therefore, should not be viewed as a variant of the collective action problem. The collective action applies to voting only in cases in which the payoff from voting accrues to all individuals collectively, or to large groups. In patronage-democracies, however, the act of voting carries with it substantial, individualized benefits, and the act of not voting substantial, individualized, costs.

*II.3 Benefit seeking voters have an incentive to organize collectively in the pursuit of individually distributed goods.*

The retail and informal nature of the patronage transaction poses a problem for voters: how to maximize the value of their investment and how to ensure delivery. Any individual voter knows that her capacity to purchase a job, a housing loan, or a university slot with her solitary vote is negligible. Any individual vote makes no difference to the overall outcome and so gives the candidate little incentive to provide goods and services in return. The voter, therefore, must find a way to magnify the purchasing power of her vote. Secondly, she must find a way



to ensure that the goods her votes purchased are delivered. Once the vote is cast, why should the candidate feel compelled to deliver on his promise?

Both problems are solved for the voter by organizing collectively. In throwing in her lot with a group, an individual agrees to vote for some politician even if she does not benefit herself as long as the politician favours *some* group member over non-members. By joining a group, the voter magnifies the value of her vote. Because a bloc of votes can make a difference to the outcome, a number of individuals organized as a group can bargain more effectively with candidates than the same number of individuals voting individually. The price for this greater bargaining power is the possibility that some other member of the collective might obtain scarce benefits in place of the voter. However, it gives those members who are denied these benefits some expectation that their turn will come in the future. And, to the extent that the politician favours her group over other groups and individuals, the voter is still better off than she would have been by voting individually. Further, organizing as a group makes it easier for voters to ensure delivery. A candidate who does not deliver on his promise can be punished by the defection of the group as a whole, with a corresponding negative effect on his future electoral prospects.

While voters have an incentive to organize collectively in patronage democracies, it is worth reiterating that the goods that they seek are individually, not collectively, distributed. Joining a group allows individual members to increase the odds that they or the micro-communities which they represent will receive greater priority in the allocation of these benefits

than individuals who are outside the group. However, all group members do not receive benefits simultaneously. In this sense, joining a group in order to obtain access to an individual benefit is analogous to buying a lottery ticket. Just as each individual must pay for her lottery ticket in order to be eligible for the prize, each group member must actually turn out to vote in order to be eligible for a benefit. But just as the prize is individually allotted to only a small number of those who buy lottery tickets, benefits are also individually distributed to only a small number of group members. When an individual voter chooses to join one group rather than another, therefore, she is choosing one lottery rather than another. Given a choice, she will choose that group which promises her the best odds of obtaining benefits. However, joining some group, any group, is always better than voting on her own.

*II.4 Benefit selling candidates have an incentive to target the distribution of individual benefits to group members rather than free floating individuals.*

Just as the voter's problem is how to magnify the value of her vote and ensure delivery, the candidate's problem, is how to magnify the purchasing power of the benefits at his disposal, and how to monitor compliance. No matter how large the supply of jobs, licenses, loans, roads and wells at his disposal, each job, license, well or road can only be given to a single individual or a single community represented by the individual. A procedure where each favour buys the vote of only the direct beneficiary would never produce the broad base of support required to win an election. How can the candidate multiply the value of his investment, so that each favour brings with it the support of others besides the direct recipient?

And even if he were to purchase a large number of votes with a small number of favours, how might he ensure that voters pay him as promised?

Both problems are solved for the candidate by targeting favours to group members rather than free-floating individuals. Distributing a favour to one group member sends a signal to others in the group that they can count in him in the future. Dealing with groups, therefore, converts a zero-sum game into a positive-sum game. If he had been dealing with individuals, a favour given to one individual would be a favour denied to another. It would cost him as much as it would gain. In dealings with group members, however, a favour given to one member sends a signal to others that they too can count on him in the future. It also sends the signal to all group members that he will favour individuals in their group over others. As such, it wins him support even from those denied favours in the present. Secondly, dealing with groups makes it easy for the politician to monitor compliance. Obtaining information about individual voting behaviour, which requires personalized knowledge of individual decisions and behaviour, is costly and often impossible. However, groups can be infiltrated more easily and group voting behaviour can be monitored through collective institutions.

Electoral politics in patronage democracies, therefore, should take the form of a self-enforcing equilibrium of "group voting", maintained by the incentives voters have to organize in groups, and the incentives candidates have to encourage the organization of voters as groups. In principle, such groups might be organized on any basis: by place of residence, by class

identity, by organizational affiliation, by ideology, and so on. In the remainder of this chapter, I will show why patronage politics privileges ethnic group mobilization in particular.

*11.5. Voters in patronage-democracies evaluate the promises of candidates about the distribution of benefits in the present by looking at the record of past patronage transactions by incumbents. Consequently, incumbents seek to develop records of patronage transactions which will help them most in the future.*

In any system in which there is a gap between legislation and implementation, voters have little reason to take the promises of candidates on faith. Candidates may openly declare their support for some category of voters. However, voters in patronage-democracies should believe only those promises which they can verify by surveying the record of past transactions. Where discretionary power in the implementation of state policy lies in the hands of elected officials, promises to enact policy legislation in favour of an individual or group are worthless unless they are also accompanied by a verified record of implementation in favour of that individual or group.

Voters in patronage democracies, therefore, will make their decision about whom to support by looking retrospectively, at the pattern of past patronage transactions. By probing for broad patterns in the history of previous patronage transactions by incumbents, they identify the principle on which patronage benefits were distributed in the past, which is their best guide to how they will allot benefits in the future.

Incumbents in patronage-democracies, therefore, will distribute patronage with an eye to future support, seeking to build that record which will help them most in obtaining votes in the future. And the credibility of promises that first-time candidates make will depend upon the record established by incumbents in the past. In this sense, previous incumbents have an agenda setting power, determining which types of promises are more credible in the present and which less credible. If those who have controlled the state in the past have consistently distributed patronage according to one principle, the credibility of politicians who promise to distribute patronage benefits in the future according to the same principle will be higher than the credibility of politicians who seek to introduce a new principle altogether.

*11.6. Voters surveying the record of past patronage transactions are typically forced to distinguish between individuals under severe information constraints.*

Patronage transactions cannot be conducted openly in modern democracies. Any attempt by candidates to trade policy implementation for votes in the open market would constitute a serious violation of the norms of modern government and in all likelihood collide with the laws of most modern democracies. As an illustration, take the instance of public health facilities. A bed in a public hospital is a scarce commodity, and politicians in many developing countries are routinely called upon by favour seekers to secure beds for their friends and relatives. However, no politician could openly promise to favour some voters in the allocation of hospital beds over others. Selective allocation of basic services such as public health, to which all citizens should have equal access in principle, would be indefensible on both normative and legal grounds. The normative and legal constraints of modern democratic

government ensure that politicians can only send surreptitious signals about how whom they intend to favour in the implementation of policy, signaling their intent by unofficial action but not by open declaration in the official political sphere.

As a result, voters typically have very little background information about the beneficiaries of patronage transactions. Their main sources of data about the beneficiaries of past transactions are reports in the newspapers or on television or on the radio about new appointments and promotions; rumours about who got rich under which government and who did not, whose sons got jobs and whose did not, whose villages got roads and electricity, and whose did not; or physical observation of the personnel staffing a government office on television or in person. Even though politicians have an incentive to provide voters with as much data as possible on their past patronage transactions, the normative and legal constraints on such transactions prevent them from sending open messages; and even though voters have an incentive to acquire as much data as possible, the quality of the data sources available to them limit the information that they receive.

*II.7. Consequently, voters are biased towards schemes of ethnic categorization in interpreting how past patronage benefits were distributed.*

The severe information constraints characteristic of patronage politics, I argue here, means that voters concerned with assessing who benefited under which regime will always code beneficiaries on the basis of one of their many ethnic identities, whether or not these identities were actually relevant in securing benefits. The argument here is built upon the

insight by Frederik Barth that ethnic groups are defined, not by internal homogeneity, but by the possession of a limited set of “cultural differentia” which separate insiders from outsiders.<sup>18</sup> Although all individuals possess ethnic and non-ethnic identities, only their ethnic identities are marked by these “cultural differentia.” These “differentia” allow the outside observer to sort individuals into ethnic categories in a relatively superficial interaction.<sup>19</sup>

Note that the possession of these markers does not yield any single or objectively correct classification. Different observers could code the same person differently, depending upon the information they could bring to bear on the interpretation of the markers. Second, even if all observers used the same information, considerable uncertainty might remain. It is often difficult, for example, for even the most sophisticated observers to distinguish between individuals from India, Pakistan and Bangladesh simply by looking at physical features or names. Third, regardless, or even because of, her level of sophistication, the observer might simply get it wrong. Fourth, the categories in which the observer places me need have no relationship to the categories with which an individual identifies. The key point here is that notwithstanding the considerable heterogeneity within any single category, the different perspectives of different observers, the considerable room for ambiguity and error, and the individual's degree of identification with any of these categories, these physical and cultural markers convey enough information for most observers to classify the individual in some category or another. Just as importantly, observers can also identify the categories in which

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<sup>18</sup> Barth (1969), 15-16.

<sup>19</sup> For a more detailed discussion of this argument, see Chandra (2004), Chapter 2.

the individual is not eligible for membership. And depending upon how they categorize themselves, they can make a judgement about whether the individual is one of them or not.

An individual's non-ethnic identities do not come with these "differentiae" attached. Take class, for example, which we might think is also signaled by similar cues, including accent, dress and manner. "There is an elite look in this country," notes Paul Fussell. "It requires women to be thin, with a hairstyle dating back eighteen or twenty years or so....They wear superbly fitting dresses and expensive but always understated shoes and handbags, with very little jewelry. They wear scarves – these instantly betoken class, because they are useless except as a caste mark. Men should be thin. No jewelry at all. No cigarette case. Moderate-length hair, never dyed or tinted, which is a middle-class or high-prole sign...."<sup>20</sup> Fussell's tongue-in-cheek account underlines the existence of a number of cues that give away class identity. The story of upwardly mobile individuals seeking entry into a higher class stratum, in fact, is precisely the story of an attempt to drop "giveaways" associated with the lower stratum and acquire those of the upper stratum. If we look closely at the cues associated with class identity, however, it quickly becomes clear that they are few, and that the information they convey is sparse. First, and perhaps most important, information about class identity is typically not contained in the name. When class and ethnic distinctions coincide, observers might infer class from name, substituting ethnic for class markers. Where class and ethnic identity do not coincide, however, it is typically impossible to code an individual's class identity from her name. Prominent exceptions (e.g. Rockefeller) prove the rule. Second, the

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<sup>20</sup> Fussell (1983), 54.



remaining cues permit the observer to draw distinctions only when the signals are particularly dramatic. A prominently patrician accent, or ostentatiously big hair might send out signals to the observer about the individual's class identity. However, unless these cues are dramatic, it is difficult to classify individuals. Third, even when dramatically displayed, class cues enable the observer to draw only broad distinctions at the extremes. They might tell the observer whether the observed comes from an upper-class or working-class background. However, they do not convey sufficient information to categorize the large amorphous mass in between. More precise class distinctions can be revealed only by obtaining additional information on the personal background of each individual (income, occupation, address, level of education, parents' occupation).

Consider another example. Imagine a society in which all individuals can be objectively classified as either "rich" or "poor." We could get at this objective reality simply by looking at the income distribution of a population and categorizing those above a given income level as rich and those below as poor. It may even have a subjective reality for those included in these categories. Political mobilization, for example, may have made people aware of the categories in which they have been placed, so that those who are categorized as "rich" perceive themselves as being members of an imagined community of the rich while those who are poor experience themselves as being "poor" and part of an imagined community of the poor. However, how would individuals from either category sort others into insiders and outsiders in impersonal interactions? As in the case of class, it is normally impossible to infer income from the name, unless income and ethnic categories coincide. And as in the case of

class, cues of dress and manner make it easy to classify individuals only when they are dramatic and only at the extremes. Someone dressed in rags might be coded as "poor" without difficulty, while someone with ostentatious diamond jewelry might be coded as "rich." But barring these dramatic signals, the only way to code the "rich" and "poor" would be to procure personalized information on their economic background and lifestyle. In superficial interactions, observers who belong to the "rich" and "poor" categories would simply not be able to "recognize" whether an individual belonged to their category or not. Other non-ethnic categorizations (urban v/s rural; landed v/s landless; farmer v/s peasant v/s worker) come with a similar lack of differentiating markers.

The lack of differentiating markers attached to non-ethnic identities means that in any individualized interaction with limited information, observers concerned with classification will of necessity sort individuals based on their ethnic rather than non-ethnic identities. This has critical implications for patronage politics. It means that voters concerned with assessing who benefited under which regime will always code beneficiaries on the basis of one of their many ethnic identities, whether or not these identities were actually relevant in securing benefits. Consider the following two examples:

"When in the middle of the nineteenth century," writes Wolfinger of politics in New Haven, "the first Irishman was nominated for public office, this was "recognition by the party of the statesmanlike qualities of the Irish, seen and appreciated by many Irishmen."<sup>21</sup> Apart from

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<sup>21</sup> Wolfinger (1974), 36.

being Irish, the nominee was presumably many other things. Imagine, for instance, that he was a worker, or possessed particular professional qualifications for the office, or was known to be an influential neighbourhood leader. Those who knew him personally might interpret the nomination as an act that recognized his identity as a worker, or his qualifications, or his influence among his peers, or a variety of other considerations. However, those who did not know him but encountered him in a government office or read his name in the newspaper or heard him speak on the radio would have identified him purely on the basis of one of his ethnic identities, helped along by name, accent, manner, or any of the cultural differentiae that he happened to carry. It is not surprising then, that the nomination was widely “seen and appreciated” as an act recognizing the Irish. Even if it had not been intended as such, it would be impossible for most voters to interpret it in any other way.

Consider another example, from Posner’s study of patronage politics in Zambia. A newspaper column, concerned with describing the extent of in-group favouritism in Zambia noted: “There are organizations in this country, even foreign-owned for that matter, where almost every name, from the manager down to the office orderly, belongs to one region.... In this country, professionally qualified youngsters never find jobs if they belong to the “wrong” tribes. When you enter certain ...offices, you get the impression they are tribal establishments”<sup>22</sup> How did the author of this article know that certain tribes were being favoured and others were not? The article identifies two sources of information: names, and superficial observation of the staff in certain offices. Both these cues, as I argued above,

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<sup>22</sup> *The Post*, 24 January 1996, cited in Posner (1998), 116.

provide clues to the ethnic identity of the individuals concerned but say little or nothing about non-ethnic identities. Even had he or she wanted to, the author of this article could not have coded the beneficiaries on a non-ethnic basis based on these sources of information. Imagine that those given jobs in any one office, for example, were only coincidentally from the same ethnic group. Perhaps the real tie that got them their jobs was that they all went to the same school. Although the "true" criterion for distributing benefits in this case would have been membership in an old boy network rather than ethnic affinity, this criterion would be invisible to the outside observer.

In these and other examples, those who are intimately acquainted with the beneficiaries might code them in complex ways. However, most outside observers would only be able to sort them into ethnic categories. Such sorting need not be standardized: as I pointed out earlier, different observers might allot the same beneficiary to different ethnic categories, or misidentify the individual to one category when they really belong to another. Political entrepreneurs, I will argue later, will attempt to manipulate this ambiguity, encouraging voters to code beneficiaries in categories that give them a political advantage. However, the key point here is that information about patronage transactions is processed and transmitted through a process that amplifies signals revealing the ethnic identities of the beneficiary and suppresses his non-ethnic identities.

*11.8 When voters are biased towards an ethnic categorization of beneficiaries, politicians will favour co-ethnics in their distribution of material benefits although they may also channel leftover benefits to voters from other ethnic categories.*

Consider now what this means for the strategy of politicians in patronage democracies. In an environment in which voters at time  $t + 1$  formulate expectations of benefits based on the history of patronage transactions at time  $t$ , and can only interpret these past transactions using schemes of ethnic categorization, incumbents at time  $t$  have no choice but to employ ethnic principles in the way in which they choose to distribute benefits. They may want, for whatever reason, to distribute benefits based on other principles, such as loyalty, or ideological affinity or income. And candidates may also want, for whatever reason, to use these other principles in making their promises. However, these non-ethnic principles, for the reasons mentioned above, are *unverifiable* on the ground. Watchful voters used to the gap between rhetoric and implementation in patronage-based systems will treat these unverifiable treatments as mere noise. Consequently, incumbents have no choice but to send ethnic signals in their distribution of benefits.

Incumbents constrained by voter biases to distribute benefits on an ethnic basis have to decide how to distribute favors across ethnic categories. Should they distribute benefits equally across all ethnic categories? Or should they be selective, allotting a larger proportion of benefits to some categories rather than others? And if they are selective, how do they decide which ethnic category or categories to favor? I show below why, paradoxically, incumbents in patronage democracies should always elect to allot the lion's share of benefits

to members of their "own" ethnic category, regardless of its size. They may also send leftover benefits in the direction of other ethnic categories, especially when their "own" is too small to be efficacious. However, the proportion of benefits they distribute to members of their "own" should always be larger.

In order to acquire a following, politicians need not only to promise to favor some distinct category of voters, but also to establish greater credibility among this category of voters than other politicians. A strategy of distributing favors equally across individuals from all ethnic categories does not give any candidate a comparative advantage. If an incumbent distributes favors equally individuals from various ethnic categories at time  $t$ , voters will believe that other candidates are also likely to distribute benefits in the future according to egalitarian principles. Since supporting any one candidate produces the same odds of obtaining benefits as supporting another, voters should be indifferent across candidates. Consequently, candidates should always avoid the strategy of equal distribution across ethnic categories in favor of selective targeting.

Consider now the strategy of selective targeting. At first glance, we might imagine that an incumbent should distribute the lion's share of the benefits at his disposal to any ethnic category (or combination of categories) that is sufficiently numerous to take him to a winning position, whether or not this is his own. Such a strategy, however, is inadvisable because it does not allow the incumbent to establish a comparative advantage. If incumbents distribute benefits at time  $t$  primarily to members of ethnic groups other than their own, voters surveying

these past transactions will believe that a politician from one ethnic category can be trusted to deliver benefits to voters from another. In a competitive environment in which elites from one ethnic category can be trusted to deliver benefits to members of another, we should expect politicians of all hues to enter the race for support from the numerically dominant ethnic categories. The result would be a whittling down of the support that any one politician is likely to receive. This is not an optimal outcome from any politician's point of view.

But if incumbents distribute benefits primarily to members of their "own" ethnic category at time  $t$ , voters at time  $t + 1$  will believe that those in power will help their "own" first and discount promises to distribute support on a cross-ethnic basis. In a field in which the only credible promises are those made by co-ethnics, all politicians from one ethnic category acquire a comparative advantage over others. Politicians from an "outside" category, because they do not have the right markers, will not be viable contenders for support. Playing ethnic favorites, therefore, gives politicians a "core" base of support, insulated from incursions by all but fellow co-ethnic competitors.

The attraction of this core base of support should lead incumbents in patronage democracies to allot the lion's share of benefits to their "own" category regardless of its size. However, the magnitude of the benefits they "others" might well vary, depending upon the size of their "own" ethnic category. If their own ethnic category is large enough to be independently efficacious, they will have no incentive to distribute any benefits members of other ethnic categories. However, if their "own" category is relatively small, they should be willing to spare

a larger proportion of benefits for members of other ethnic categories in order to attract their support. Voters witnessing such behaviour will conclude that while politicians may help members of other ethnic categories at particular times under unfavourable competitive configurations, they are most consistent in helping their own. Consequently, voters should place greatest trust in co-ethnics in their struggle for the delivery of patronage benefits.

At the same time that they have an incentive to favour their "own" ethnic category in an attempt to establish a comparative advantage over others, however, all politicians have an incentive to define their "own" category as large enough to take them past the threshold of winning or influence. The multiplicity of interpretations which can be attached to ethnic markers gives them this freedom in defining the boundaries and membership of this category. The correspondence between the "markers" any individual possesses and the ethnic category that these markers corresponds to is not given but changeable according to the context, knowledge, and interpretive frameworks of the observer. Consequently, a politician whose "own" category is initially too small to confer an electoral advantage has an incentive to manipulate the correspondence between markers and categories to produce a more advantageous definition of who his "own" people are. He may do this by reinterpreting his own markers to qualify him for membership in a larger ethnic category than before, so that he can claim some larger section of the population as his "own;" by redefining the membership criteria for his "own" category to encourage more voters to identify with him than before; or by attempting to transform the prevailing system of categorization itself, changing the dimension on which voters attempt to categorize politicians in a way that gives him an advantage.



*II. 9. The superior visibility of ethnic identities in limited information environments also drives voters to obtain psychic benefits from co-ethnic elites rather than others.*

So far, I have discussed how the severe information constraints in a patronage democracy should lead voters to expect greater access to material benefits from co-ethnic elites. Here, I discuss why the same mechanism should also lead them to expect psychic benefits from co-ethnics.

I build here upon the insights introduced by the social psychological approach that individual self-esteem is a product of the socially recognized position of the groups of which one is a member, and that in patronage democracies, the principal source of collective social recognition is the state. Those groups whose elites control the state are likely to confer greater self-esteem upon voters who are their members than groups whose elites are less well represented in state institutions. In a world of multiple group affiliations, however, when and why does ethnic group membership in particular become a source of self-esteem? I propose here that voters seeking self esteem identify with their ethnic categories when information constraints make it difficult for third parties to detect other types of group affiliation.

This proposition rests on the observation that in order to bask in the reflected glory of an elite who has obtained control of the state, a voter must be "seen" by others to be a member of the same group as the elite. In the absence of such third party acknowledgement, the demonstrated superiority of the elite as an individual will not be interpreted as the

demonstrated superiority of the group to which both elite and voter belong. In a personalized, information rich setting, third parties would possess the background data to sort voters and elites according to their non-ethnic group affiliations. In the more typical impersonal environment of mass politics, however, the ethnic identity of each becomes the principal means that external observers have of ascertaining group affiliation. Voters should obtain greater self-esteem, therefore, principally from groups in which membership is signaled by their widely observable ethnic identities, rather than their concealed non-ethnic identities.

Politicians in patronage democracies, therefore, have an incentive not only to distribute material benefits to co-ethnic voters but also to portray their political successes as successes for their "own" ethnic category.

*II.10 Consequently, we should see a self-enforcing equilibrium of ethnic favouritism in patronage-democracies.*

Once politicians, constrained by limited information conditions, bid for the support of co-ethnics, voters should follow suit by sorting themselves into ethnic blocs.

In patronage-democracies, therefore, we should see a self-enforcing equilibrium of ethnic favouritism, in which voters mainly target co-ethnics politicians for favours, and politicians mainly target co-ethnic voters for votes. New politicians, faced with a playing field in which all others appear to be helping voters from their "own" ethnic category, are forced to court the support of co-ethnics if they want to remain in the game. At the same time, however, they should attempt to propose as advantageous a definition of their "own" ethnic category as possible. Those who do not have a following among their "own" are likely to be winnowed out.

Similarly, new voters, faced with a playing field in which all other voters appear to be best served by politicians from their “own” category, are forced to throw their support behind co-ethnics.

Once this equilibrium of ethnic favouritism is in place, we should also see a feedback loop, with ethnic politics strengthening the conditions of patronage politics that gave it birth. Once politicians have established the principle of ethnic favouritism, new voters entering the political arena should also mobilize on an ethnic basis and demand state largesse for their ethnic categories. We should expect the pressure from these newly mobilized ethnic categories to motivate politicians not only to jealously guard the discretionary power that they have but to seek an expansion of state services and their discretionary power over the allocation of such services in order to maintain and expand their bases of support. Patronage politics and ethnic politics therefore should be locked into a stranglehold, with the one reinforcing the other.

Over time this equilibrium should also generate additional reinforcing mechanisms that allow it to persist even after the initial information constraints that gave it birth are lifted.<sup>23</sup> For instance, both voters and politicians have an incentive to create and maintain networks and institutions in order to reduce the transaction costs of communicating demands and delivering benefits. Neither voter nor politician has a similar incentive to create or maintain non-ethnic

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<sup>23</sup> For a distinction between self-enforcing and self-reinforcing institutions, see Avner Greif, *Historical Institutional Analysis* (Cambridge University Press, forthcoming).

networks and institutions. Further, over repeated elections voters should acquire a store of fairly precise information about the ethnic identities of political entrepreneurs and those whom they favoured in the past to assist them in predicting the behaviour of these entrepreneurs in the future. Similarly, politicians should acquire a store of information about the relative numerical strength of different ethnic blocs, defined on different dimensions, to assist them in formulating profitable strategies. Neither voter nor politician has any incentive to collect and store comparable information on non-ethnic categories. As a result, ethnic identities become progressively more “real” and non-ethnic identities progressively more invisible, over repeated interactions. Finally, the cycle of expectations built around patronage transactions during elections is likely also to spill over into the broader political arena, turning the notion that politicians favour their own, and voters vote for their own, into a “basic axiom of politics.”<sup>24</sup>

Under what conditions might such an equilibrium break down? This equilibrium, I have argued above, is driven by information constraints, which are in themselves a product of the structural conditions defining a patronage democracy. It is likely to break down only when the structural conditions that sustain these information constraints are altered. For instance, a downsizing of the state sector would eliminate the root of the cycle of ethnic favouritism by removing the necessity for voters to use their vote as the means to secure their livelihoods. The reduction of discretionary power over implementation of state policy, by legislating precise guidelines or introducing procedures for oversight, would have a similar effect. And, as I will argue below, even within the constraints of patronage-democracy, the vesting of control over

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<sup>24</sup> Posner, *Institutional Origins*.

the distribution of resources in politicians at micro rather than macro levels of politics should erode the foundations of this equilibrium by replacing a limited information environment with an information rich one. The effect of such structural changes may be impeded by the continued existence of ethnic networks, institutions, ethnically based statistics, and other reinforcing mechanisms that emerge as by-products of the equilibrium of ethnic favouritism. Over time, however, changes in the underlying structure should dismantle these reinforcing mechanisms and so gradually erode this equilibrium.

Before proceeding further, therefore, let me address the possibility of endogeneity. Might not the politics of ethnic favouritism itself produce patronage democracy, rather than the other way round?

The argument here predicts that once the politics of ethnic favouritism is activated by the introduction of patronage democracy, it should generate a feedback loop, strengthening and expanding the conditions which gave rise to it. In this sense, the discovery of reverse causal arrows after the introduction of patronage-democracy would confirm rather than disprove the argument. However, we should be less confident of the argument in relation to the alternative if we found that the initial establishment of patronage democracy was the systematically correlated with a pre-existing politics of ethnic favouritism. A systematic test of this argument awaits the collection of data tracking the establishment, expansion and contraction of patronage democracies over time. Here, let me note simply that there is no reason to expect that the two defining conditions of a patronage democracy – large states, and

discretionary control over the implementation of state policy – are the systematic product of the politics of ethnic favouritism. The size of the public sector or the degree of regulation over the private sector might increase for a variety of reasons: as a consequence of ideology (e.g. communist or socialist regimes); a desire for accelerated economic development (e.g. the “developmentalist” state in India); or a concern for social welfare (e.g. welfare states in Sweden and Finland). And discretion over the distribution of jobs and services controlled by these large public sectors or regulated private sectors might be acquired by elected officials when the procedures for implementation are not well codified; or under conditions of widespread illiteracy or large-scale immigration, where an inadequate understanding of the letter of the law among citizens gives state officials discretionary power in practice; or under conditions of extreme scarcity, where an excess supply of identically qualified applicants gives state officials the power to select from among them arbitrarily in allocating jobs and services.

### ***III Factors Mitigating the Likelihood of Ethnic Favouritism in Patronage-Democracies.***

I have argued so far that the propensity of patronage-democracies to produce the politics of ethnic favouritism is a product of the degree to which the voting decision in patronage-democracies approximates a setting in which observers have to distinguish between individuals under severe information constraints. When the voting decision does not approximate this type of setting, other things being equal, we should not see patronage-democracy produce the politics of ethnic favouritism. Here, I identify four conditions that, by altering the information environment, can lower the likelihood of ethnic favouritism in patronage-democracies.

*Vesting of Control Over the Distribution of Patronage at the Micro Level.*

Micro levels of politics (e.g. family, village, ward, neighbourhood, and municipality) are information-rich environments, in which individuals know each other personally and have engaged in repeated interactions over a long period of time. Macro levels of politics (state, province, region, nation, large district) are information-poor environments, in which individuals do not have personal knowledge about each other and do not have a history of repeated interactions. The level at which control over the delivery of benefits is vested varies across political systems. In some systems, it is politicians at the macrolevels of politics (e.g. national legislators, provincial legislators) who pull the strings by which benefits are released at lower levels of politics. In others, control over these benefits is vested directly in elected officials at these lower levels (e.g., with municipal councilors or village headmen).

When control over patronage transactions is vested in politicians at the micro level, voters surveying a politician's record of past patronage transactions are faced with the task of classifying only a small number of individuals about whom they typically have additional sources of information based on previous interactions. This allows them to supplement the limited data that usually accompanies patronage transactions. Simply by hearing the name of some individual who has been denied a favour, for instance, voters may be able to ascertain, by drawing upon the store of information collected through previous interactions, whether this person was denied a favour because of her personal rivalries with a politician, or her character, or economic circumstances, or family feuds. As a result, they can code beneficiaries of

previous patronage transactions in complex ways. When patronage is distributed at the macro level of politics, however, voters are called upon to classify larger numbers of individuals of whom they have no personal knowledge and with whom they do not have any history of prior interactions. Consequently, they are more likely to code them on an ethnic basis. Other things being equal, therefore, we should be more likely to see ethnic favouritism in patronage-democracies in which control over patronage is vested in politicians at the macro rather than the micro level. Further, if institutional reforms in patronage-democracies transfer control over the distribution of patronage from the macro to the micro level of politics, we should see a decline in the likelihood of ethnic favouritism, other things being equal; and if institutional reforms transfer control over patronage from the micro to the macro level, we should see an increase in the likelihood of ethnic favouritism, other things being equal.

#### *Mediated Democracy.*

“Mediated democracies,” in which only a small number of voters are autonomous, also reduce the likelihood of ethnic favouritism in patronage-democracies by increasing the sources of information available to voters about the beneficiaries of patronage transactions. When only some voters are autonomous and control the votes of the rest, politicians can target benefits to a small and select pool of beneficiaries. With a small number of beneficiaries, the cost of obtaining information about each is also reduced. As a result, voters can formulate hypotheses that do not rely solely on ethnic characteristics. Examples of mediated democracies include “traditional” polities in which landed or other powerful classes are the autonomous voters and control the votes of subordinate groups through ties of deference and



coercion. As these ties of deference and subordination are eroded, however, and political participation increases, we should see the likelihood of ethnic favouritism increase in patronage-democracies.

### *Aggregate Beneficiaries*

The likelihood of ethnic favouritism is also reduced when the customers in patronage transactions are aggregates rather than individuals. As I argued in the previous chapter, observers are likely to be biased toward ethnic categorization under limited information constraints only when they are concerned with distinguishing between individuals. When called upon to distinguish between groups, observers should not be biased toward ethnic categorization even under severe information constraints, since groups do not sport ethnic markers, as individuals do. Consequently, regimes in which voters are required to code aggregate rather than individual beneficiaries should not necessarily be characterized by expectations of ethnic favouritism.

Examples of cases in which the principal beneficiaries of patronage benefits are aggregates rather than individuals abound, particularly in Latin America, which exhibits a distinct pattern of "corporate" or "collective" clientelism.<sup>25</sup> According to Robert Gay's

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<sup>25</sup> Gerrit Burgwal, *Caciquismo, Paralelismo and Clientelismo: The History of a Quito Squatter Settlement*. (Amsterdam: Institute of Cultural Anthropology/Sociology of Development, Vrije Universiteit, 1993); (Urban Research Working Papers no. 3)2; John D. Martz, *The Politics of Clientelism: Democracy and the State in Colombia* (New Brunswick, NJ: Transaction Publishers, 1997.) For a recent ethnography that traces these forms

ethnographic study of patronage politics in two *favelas* in Brazil, for instance, candidates sought voter support by paying off the entire neighbourhood of Vila Brasil-- providing collective goods such as paved roads, uniforms for the neighbourhood soccer team, and public bathrooms in the neighbourhood association building. With some exceptions, the candidates did not barter with individuals.<sup>26</sup> Susan Stokes's study of shantytown politics in Peru reveals the same pattern: Residents of the shantytown of Independencia bargained with politicians not as individuals but as communities, and sought from these politicians not individual goods--such as jobs, university slots and loans--but community goods--such as water, electricity, and land titles conferred collectively to the shantytown as a whole.<sup>27</sup> Jonathan Fox's study of patronage politics in Mexico, similarly, identifies collectives rather than individuals as the beneficiaries of patronage transactions: food was made available to entire villages in the form of food stores, or to collectively organized region wide community food councils; Regional Solidarity funds were provided not to individuals but to "project proposals submitted from the organizations of the region"; and public works programmes were provided to local committees.<sup>28</sup>

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of collective bargaining, see Javier Auyero, *Poor People's Politics: Peronist Survival Networks and the Legacy of Evita* (Durham, NC: Duke University Press, 2000).

<sup>26</sup> Robert Gay, *Popular Organization and Democracy in Rio de Janeiro: A Tale of Two Favelas* (Philadelphia: Temple University Press, 1994), Chapters 2 and 4.

<sup>27</sup> Susan Stokes, *Cultures in Conflict: Social Movements and the State in Peru* (Berkeley: University of California Press, 1995), 64.

<sup>28</sup> Jonathan Fox, "The Difficult Transition from Clientelism to Citizenship: Lessons from Mexico," *World Politics*, Vol. 46, No.2 (1994): 164, 168, 172.

### *Perfect Homogeneity and Perfect Heterogeneity*

When a population is perfectly homogeneous (i.e., all individuals have identical ethnic markers) or perfectly heterogeneous (i.e., all individuals have unique ethnic markers), voters surveying the beneficiaries of past patronage transactions will be unable to detect any pattern in the distribution of patronage. In such situations, politicians will be hampered in their attempt to use their discretionary control over state jobs and services as a strategy for obtaining votes. Even though they have an incentive to market these jobs and services in return for votes, they will be unable to send meaningful signals to their target voters. We might expect politicians in such situations to transfer control of patronage from the macro to the micro level of politics and so enable themselves to send nonethnic signals about the distribution of patronage. Alternatively, we might expect them switch to a different method of courting votes and to divert their discretionary control of state resources in order to seek rents in forms other than votes. In either case, we should be less likely to see the politics of ethnic favouritism.

### *Conclusion*

I have argued here that severe information constraints are an important and neglected variable explaining the politics of ethnic favouritism. Although the argument has been developed specifically with reference to patronage-democracies, it should also be applicable to other settings in which voting decisions are made under comparable information constraints, such as "founding elections" or elections in unstable party systems

The argument that the perceptual biases inherent in the patronage transaction are responsible for generating self-fulfilling expectations of ethnic favouritism among voters and politicians constitutes a departure from the theoretical literature on ethnic mobilization, which locates the cause of the association in other variables such as the presumed functional superiority of ethnic networks, institutional legacies that privilege ethnic identities, a presumed cultural similarity which makes patronage transactions between co-ethnics easier than transactions with non co-ethnics, and pre-existing patterns of identity salience. These alternatives are discussed at some length in the book from which this chapter is excerpted (Chandra 2004). Here it is sufficient to note simply that these other variables are not necessary to bring about the outcome of ethnic favouritism. Indeed, variables such as institutional legacies and ethnic networks may well be endogenous to the conditions of limited information and should reinforce the politics of ethnic favouritism only as long as the underlying information constraints persist.

Let me highlight in conclusion some testable implications that result from the argument: First, to the extent that politicians are able to manipulate the interpretation of ethnic markers, we should expect them to propose interpretations that produce ethnic categories of optimal size, given their electoral objectives. If the politics of ethnic favouritism is produced by information constraints, therefore, we should expect a systematic correlation between the size of an ethnic category and its degree of political salience. On the other hand, if the politics of ethnic favouritism is produced by preexisting networks and institutions, then there should be no systematic correlation between the size of an ethnic category and its political salience. In this

case, the ethnic categories that are salient should be a straightforward reflection of preexisting structural and historical patterns, regardless of size. Second, if the politics of ethnic favouritism is produced by information constraints, then, given a choice between ethnic categories of equivalent size, politicians should mobilize voters around those ethnic categories that are most *visible*.<sup>29</sup> On the other hand, if the politics of ethnic favouritism is produced by networks or institutions independent of information constraints, then there should be no systematic correlation between visibility and the political salience of an ethnic category. Finally, if the politics of ethnic favouritism is produced by information constraints, then administrative reforms such as decentralization, by shifting the locus of patronage to information-rich environments such as the neighbourhood and village, should result in a deactivation of ethnic identities. Conversely, if the politics of ethnic favouritism is independently produced by networks or institutions, then decentralization should not result in any change in the salience of ethnic identifications unless it also simultaneously transforms the character of networks or institutional legacies.

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<sup>29</sup> I owe this point to a discussion with Susan Stokes.