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Abstract

Political science literature on clientelism has tended to focus on vote-buying, viewed primarily from the perspective of parties/brokers. The motives that drive clients to engage in clientelism and the different forms of clientelism that result remain relatively unexplored. This paper proposes a formal model of clientelism that focuses primarily on the client's side, setting clientelism against the possibility of supporting a redistributive platform and incorporating insights from social psychology theories. We consider two key perceptions: political efficacy and inequality legitimization, and make them endogenous. In the model, perceptions of inefficacy and the legitimacy of inequality reinforce each other leading to multiple steady states. One of these resembles a “traditional” form of clientelism with disempowered clients that legitimize social inequalities. Community connectivity breaks this reinforcement mechanism and leads to a unique steady state, where clientelism and programmatic redistribution coexist, that resembles “modern” clientelism characterized by vote-buying.

1 Introduction

The last decades brought a wealth of new insights on the nature, mechanics and drivers of clientelism. We have learned a great deal about party strategies (e.g., whether to target swing or core voters) and the mechanics of the exchange (e.g., the role of monitoring, reciprocity, and brokers). The literature makes particular strides in understanding vote-buying, which it has come to view often as synonymous with clientelism.¹ We have learned far less about why voters engage in clientelism. Clients' calculations have remained relatively simplified, mostly involving a simple trade-off between material benefits from clientelism and expressive benefits from voting for a programmatic alternative. The key result in this respect is that poorer individuals tend to sell their votes because their marginal utility of material benefits offered for their votes is higher (see, in particular, Dixit and Londregan (1996) and Stokes, Dunning, Nazareno and Brusco (2013)). To the extent that scholars find variation in the poor's engagement in clientelism, they often explain it as the result of differences in party targeting (e.g. Gans-Morse, Mazzuca and Nichter (2014), Nichter (2008), Stokes (2005) Finan and Schechter (2012), Szwarcberg (2013)).

The current emphasis on the supply-side story of vote-buying clientelism has left two significant gaps in our understanding. First, the political choices of the poor and their drivers remain inadequately understood. While clientelism has been found to correlate with poverty and the mechanism explaining this in the clientelism literature is compelling, the fact remains that poor individuals often purposefully establish political linkages other than clientelistic ones. A relevant literature on demand for redistribution argues that the poor ought to support political platforms promising income redistribution, precisely because their low income implies that they stand to gain the most from it (Alesina and Giuliano 2011; Alesina and La Ferrara 2005; Meltzer and Richard 1981). The apparent contradictory conclusions of these two strands of literature suggest that factors in addition to income may matter for the poor's political choices. Second, the focus on vote-buying – or one-shot, material exchanges for votes – fails to shed light on the variation in forms of clientelism. As evidenced by classical literature

¹This is a vast literature. For a review, see Hicken (2011).

on the topic (see the articles in Schmidt, Guasti, Landé and Scott (1977)) - and increasingly acknowledged by current research (e.g. Hilgers (2009), Lawson and Greene (2014), Nichter (2014)) - clientelism does not only exist in its one-shot election-time instrumental form but also in forms involving long standing relations of insurance and support. These “traditional” or “relational” forms of clientelism include affective ties and are embedded in social norms and personal relationships. Importantly, this type of clientelistic relationships is not a phenomenon of the past, but often still forms the backbone of modern, machine-style clientelistic organizations at the local level. Reaching a more complete understanding of clientelism thus requires considering both forms of exchanges.

Following these observations, this paper seeks to address two core questions. First, what are the factors in addition to income that drive the choice between preferences for clientelism and redistribution? Second, under which circumstances do the poor engage in traditional/relational forms rather than in modern/electoral types of clientelism? We argue that these questions can only be addressed if the agency, values and perceptions of the poor are explicitly incorporated into the study of clientelism.

This paper proposes a model of clientelism that incorporates these factors. Specifically, it has two key innovations. First, we consider individuals to be facing the dilemma of engaging in clientelism or supporting a redistributive platform. By doing so, we take a step toward reconciling findings on poor people’s preferences from the literature on clientelism and from that on demand for redistribution. Second, we explicitly consider insights from the social psychology literature, notably on the importance of perceptions of the *legitimacy* of social inequality and of the *efficacy* mobilization for taking action in favor or against the status quo (Van Zomeren, Postmes and Spears 2008). We endogenize these perceptions and examine their interactions with political choice. Our general argument is that these perceptions are key to understanding not only *when* the poor engage in clientelism, but also the *type* of clientelism that results.

The model has several key ingredients. First, citizens choose whether to engage in clientelism or support a redistributive platform. Second, citizens hold efficacy perceptions regarding the

chances of success of the redistributive platform, and these perceptions are anchored on the previous generation's redistribution choices. Third, parents transmit inequality legitimization values to their offspring in order to protect their self-esteem.

The model yields three steady states, which vary in the prevalence and types of clientelism. Two steady states emerge when communities are isolated from competing information regarding efficacy and inequality legitimacy. One of these steady states features a high degree of inequality legitimization, low perceptions of efficacy, and widespread clientelism. This steady state has the characteristics of traditional/relational clientelism. The other steady state features the opposite characteristics, with the poor strongly condemning inequality and supporting the redistributive platform. The third steady state exists in the case in which communities are connected to sources of diverse information regarding inequality legitimacy and efficacy. In this case, communities will converge to a situation where some citizens engage in clientelism and others support the redistributive platform. Crucially, inequality in this steady state is not legitimized by the poor, in contrast to the traditional clientelism steady state. Clientelistic exchanges in this form can be considered more "instrumental," corresponding to vote-buying or "modern clientelism".

The key dynamic mechanism in the model is the complementarity of the extent of clientelism, perceptions of inefficacy, and legitimization of inequality. Perceptions of inefficacy will induce parents to believe that inequality is inevitable, leading them to transmit inequality legitimizing values to their children in order to protect their self-esteem. High levels of legitimacy perceptions, in turn, will lead to a higher tolerance of clientelism, leading to more clientelism, perceptions of inefficacy, and thus even more inequality legitimization. These complementarities generate the two extreme steady states in the case of low information connectivity. When communities are strongly connected to diverse sources of information, in contrast, these complementarities break down leading to a unique steady state where clientelism and support for redistribution co-exist.

The results provide insights into the persistence of clientelism, likelihood that it transforms, and implications for citizens' welfare. First, clients in the "traditional" steady state will typi-

cally get a worse deal out clientelism than those in “modern” settings: precisely because clients tend to legitimize inequality in traditional clientelism, the patron can afford to offer lower clientelistic transfers while maintaining the client’s loyalty. Second, and related, the legitimization of inequality in traditional clientelism also makes it resilient and stable, requiring massive alterations of the environment in order for it to be eliminated. However, it can also be gradually *transformed* into a modern type with increasing informational connectivity of the community. We illustrate the model’s core insights with illustrations drawn from a mostly ethnographic literature. Most notably, the literature highlights how, indeed, the very legitimacy inherent in traditional clientelism renders it remarkably stable and durable. In addition, and again consistent with the model, a number of studies emphasize the role of decreasing community isolation for transforming clientelism from traditional to modern types.

The insights of the model are also relevant for understanding citizens’ demand for accountability. By characterizing different types of clientelism, our model sheds light on why interventions aimed at enhancing accountability by providing information on performance have led to different effects in different contexts (e.g. Humphreys and Weinstein (2012); Ferraz and Finan (2009); Chong, De La O., Karlan and Wantchekon (2011)). In settings where clientelistic linkages exist and are of a “traditional” type, i.e. where patron-client relations are based on personal relations and loyalty and clients legitimize the status quo, such interventions might have limited effects.

More generally, our model adds to the important growing literature that emphasizes the endogenous determination of values and perceptions of citizens for understanding political choice and political outcomes (see, for instance, Minozzi (2013) and Acharya, Blackwell and Sen (2015)). In our model, it is precisely the dynamic feedback between political choices and perceptions that drives our key results and allows us to derive insights on different types of clientelism.

The model has also important limitations and it is important to be explicit about these. In particular, our aim to bring detail to the political choices and perceptions of the poor leads us to make simplifying assumptions which are needed to keep the model tractable. First, the

model considers the supply side only in an extremely simplified way: we do consider that there is a patron that chooses the level of clientelistic transfers to provide, but the choice of the patron is modeled in the simplest and most pragmatic possible way. Second, the model focuses particularly on poor individuals that stand to gain from redistribution; this implies that the model is best thought of as describing a community with high levels of inequality where the overwhelming amount of citizens are relatively poor. Third, the political choice we consider for the poor is a stark one between engaging in clientelism and supporting a full redistribution. While this assumption is made for simplicity, we believe that the model can be interpreted more generally. For instance, the model could depict a situation where poor citizens have the (theoretical) option to mobile politically in order to achieve some degree of community-wide redistribution, or a situation where there are two competing platform that differ in the mix of social vs. personalized redistribution they propose, with the one proposing more personalized redistribution identified in the model as the clientelistic option.

The specific type of complementarity that underlies our results - that between inefficacy and inequality legitimization – mirrors recent work in the social psychology literature. Kay and Friesen (2011) argue that people will be drawn to justify their social system when they feel low levels of “personal control” and when they find it hard to escape the system. More recently, several lab experiments have found evidence for such complementarities, finding that, when people are experimentally induced to feel inefficacious, they tend to justify the system rather than to try to change it (see Johnson and Fujita (2012) and Van der Toorn, Feinberg, Jost, Kay, Tyler, Willer and Wilmuth (2015)). Work on the demand for redistribution in South Africa (Pellicer, Piraino and Wegner 2016) also finds evidence consistent with this mechanism. The present model shows that the presence or absence of such psychological interactions can lead to very different patterns of linkage between elites and citizens.

The paper is organized as follows. Section 2 motivates the analysis, discussing traditional and modern clientelism and the literature on redistribution as well as the key ingredients of our framework. Section 3 presents the model. Section 4 discusses the implications of the model and provides empirical illustrations of its main results, and section 5 concludes.

2 Poor people's political choices

Scholars have emphasized different types of political linkages that mobilize the poor. Today, the standard view of clientelism makes the stylized prediction that poor individuals will typically engage in clientelism because they have a higher marginal utility of income. Moreover, the focus of this literature is such that the form of clientelism considered is typically of a purely instrumental “machine” type such as vote-buying. We argue that poor individuals may, however, not only engage in modern clientelism, but also in other forms of clientelism, or in support for redistributive platforms. Providing insights on when the poor engage in these different types of linkages is the key objective of this paper.

2.1 Modern clientelism, traditional clientelism, and redistribution

Authors of the classical literature on clientelism from the 1960s and 1970s consistently emphasize the distinction between different types of clientelism, most notably between “traditional” and “modern” clientelism. Traditional clientelism is embedded in social relations, involves an exchange of loyalty in a setting viewed as largely legitimate by the clients, and is considered to be more durable and stable. Modern clientelism, such as machine clientelism or vote-buying, is generally viewed as a transitory and largely anonymous quid pro quo exchange of money for votes, or small goods such as food parcels.

Weingrod (1968), for instance, distinguishes between two varieties of clientelism: “anthropological” (or traditional) clientelism, epitomized by the landlord-tenant relationship, and a “political science” variety of clientelism. The former is characterized by an enduring relation in which the client gives “demonstrations of esteem” and a “promise of political support,” obtaining protection in exchange. The latter is restricted to a “distribution of public jobs or special favors in exchange for electoral support.” (p. 323-4). Archer (1990) differentiates between traditional and broker clientelism, with the former consisting of ties that are “very durable, often lasting generations” and “notable for their high levels of affect” (p.15), whereas the latter type involves relations that are “much less durable,” “more calculated and pragmatic” (p.31).

Powell (1970) applies a similar categorization of clientelistic relations according to, among others, durability, and intensity (i.e., affect, feelings of loyalty, obligation), arguing that the “traditional village” setting would lead to an enduring and intense type of relation, and a more integrated, differentiated context would lead to the opposite (p. 148). More recently, Nichter (2014) applies the label “relational” to forms of clientelism that are continuous and involve ongoing benefits beyond election day and “electoral” to forms where elites deliver all payoffs during campaigns and on the day of the election. This distinction is very similar in content to the distinction between “traditional” and “modern” clientelism. We believe that the label we use for capturing this distinction is not so crucial. While the “modern” vs. “traditional” label may have undesirable normative connotations, these terms remain more familiar and we will use them throughout. In particular, we will use the label “traditional clientelism” for long-standing clientelistic relations of mutual support and insurance and “modern clientelism” for one-shot vote-buying type of exchanges.

The current literature on clientelism focuses most strongly on the modern, or electoral form of clientelism.² In contrast, the other, so-called traditional type, has received far less attention. Importantly, however, this type continues to exist even if the term traditional might lead to the perception that this is a dying or past phenomenon. Traditional ties are often the glue that links clientelistic exchanges even in current political machines or other modern forms of clientelism. Discussing the operation of party machines African countries in the 1960s, Lemarchand (1972) describes the “neo-traditional machine,” in which “traditional micro-level solidarities provide the essential linkages between the party and the masses.” In this case, he argues, “the machine is superimposed upon, and in some ways tributary to, the clientelistic subsystem” (p. 114). Similarly, Archer’s (1990) analysis of modern broker clientelism in Colombia shows that a “primary” patron-client cluster “strongly dependant on kinship and localist ties is the basic building block” of these modern networks (pp. 22-23). Such primary relationships share core characteristics with them, in particular concerning their durability and their high levels of affect and mutual respect (p. 31).

²Nichter (2014) shows information according to which over 9,000 recent academic articles and unpublished manuscripts mention the term “vote-buying”. While this also relates to work on vote-buying that is unrelated to clientelism, it testifies nevertheless to the strong academic interest in the topic.

In addition to engaging in forms of clientelism other than vote-buying, the poor are also often considered to support a specific type of programmatic alternative, namely public redistribution. This type of alternative is present in many historically inspired models of political change, starting from seminal papers such as Acemoglu and Robinson (2000). Indeed, a large literature on demand for redistribution argues that the poor will be supportive of such redistribute platforms as they stand to gain most from redistributive policies (Alesina and Giuliano 2011; Meltzer and Richard 1981). While this, intuitively compelling, argument has been made by a theoretical literature, there is also some empirical evidence for it. Indeed, poverty has been found to correlate positively with demand for redistribution both in panel data from the US as well as in a cross section from the World Values Survey (see Alesina and Giuliano (2011)).

The main questions we seek to shed light on are then: When do the poor engage in clientelism as opposed to support for redistribution? And, when they do so, when do they engage in a “traditional” as opposed to a “modern” type of clientelism?

2.2 Modelling poor people’s political choices

Our main modeling choices are guided by these questions. First, we need to consider redistribution explicitly if we are to gain insights into the debate over clientelism and redistribution. The standard practice in the literature is to conceptualize the choices of prospective clients as one in which material benefits from clientelism are pitted against largely expressive benefits from voting for a programmatic platform cannot (see Stokes (2007); Stokes et al. (2013); Dixit and Londregan (1996)). Because the alternative to clientelism does not include material benefits, such conceptualization is unable to shed much light on the topic. In contrast, we conceptualize a prospective client’s choice directly as one facing two alternatives: either to engage in clientelism, receiving immediate material benefits, or to support a redistributive platform that may yield future benefits with some probability. Support for redistribution can include voting, protest, or even social movement activism. Redistribution can include income redistribution, or more generally, any type of reform that seeks to reduce social or

power inequalities.

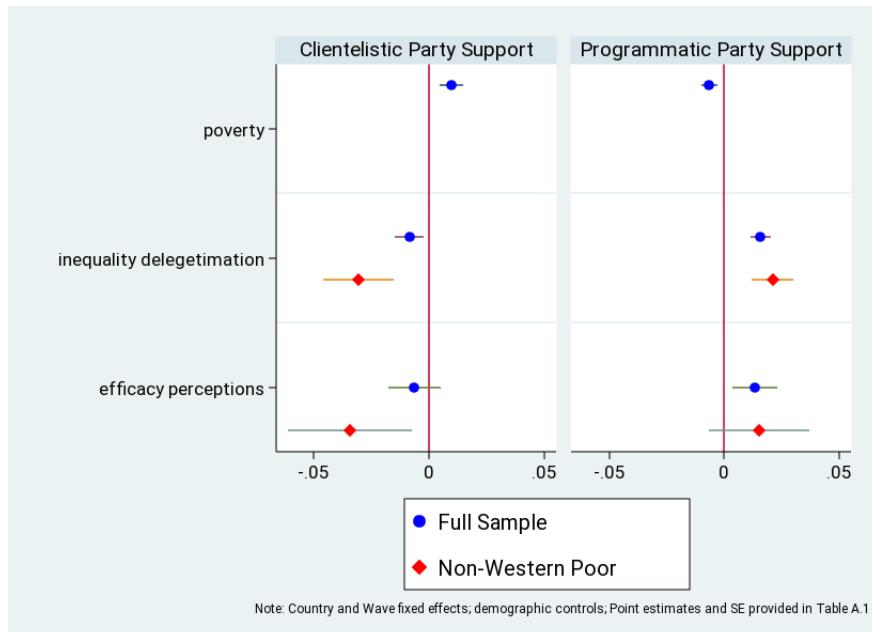
Second, our discussion of different types of clientelism suggests that we need to consider citizens' perceptions of political and social conditions, including whether they regard inequality as legitimate, when studying the demand for clientelism. In fact, such factors can be integrated quite naturally in our framework. Conceptualizing the political choice of the poor with support for redistribution as one of the poor's explicit options, allows us to draw on social psychology literature of mobilization which emphasizes exactly these types of factors. This literature studies the individual motives that members of disadvantaged groups have to engage in action to redress the inequality they suffer. It emphasizes how perceptions of efficacy, inequality legitimization, and group identification can affect the choices of the poor. In a major review of that literature, Van Zomeren, Postmes and Spears (2008) combine findings from social movement research and social identity theory to propose a general framework of individual mobilization choice. Through a survey of approximately 200 empirical studies, the authors find that three key factors have an independent effect on engaging in action to redress inequality: (1) perceived legitimacy of inter-group relations, (2) perceived group efficacy (i.e., perceptions about the likelihood that mobilization will succeed), and (3) perceived group identification (i.e., how strong is one's group identity, which is thought to reduce the cost of collective action thus making mobilization more effective).³

In our analysis we consider these three factors, focusing particularly on the first two: perceptions about the legitimacy of inequality and perceptions of efficacy. Our framework directly implies that these factors are relevant for the choice of clientelism. Is this realistic? While their relevance for horizontal mobilization is well established in the social psychology literature, their relevance for clientelism is not obvious. To assess the potential relevance of these perceptions for the decision to engage in clientelism in a large sample including 54 countries from all major world regions, we thus merge the World Values Survey and data from "Democratic Accountability and Citizen- Politician Linkages" that provides core on the extent of

³The perceived legitimacy of the income distribution is also identified as a core factor by the literature on demand for redistribution from the government. When individuals perceive the income distribution to be unfair, they are likely to ask for more redistribution, and vice-versa (Trump and White 2015), see also Alesina and Giuliano (2011).

parties' clientelistic and programmatic linkages. Figure 1 displays correlations between efficacy and inequality delegitimation perceptions on the one hand, and support for clientelistic and programmatic parties on the other.⁴ For comparison, the coefficient for poverty, as the most prominent factor in the clientelism literature, is shown. The figure shows that our proxies of efficacy and inequality (de)legitimation correlate negatively with clientelism, which is consistent with our framework. Moreover, their correlation with clientelism is as high as the one with poverty (left panel of figure 1). The figure shows that this applies not only to the overall population, but even more strongly to the subsample of poor people in non-Western countries, where clientelism is considered to be more prominent. In addition, the patterns are reversed when considering programmatic voting as the outcome (right panel of figure 1) instead of clientelism suggesting that the patterns observed reflect genuine trade-offs between clientelism and programmatic (redistributive) politics.

Figure 1: Correlations between Perceptions vs. Income and Support for Different Party Types



In sum, our analysis considers the choice of poor individuals between clientelism and redistribution, focusing particularly on the role of efficacy and inequality legitimization perceptions. The credibility of this framework is enhanced by evidence that shows that support for clien-

⁴Figure 1 is based on merged data from the integrated version (i.e. the last five waves) of the World Values Survey (WVS) with data from the "Democratic Accountability and Citizen-Politician Linkages" (DA) project. Details about the merging of the two datasets and the coding of variables as well as table with the coefficients are provided in the Appendix.

telistic parties is correlated with these perceptions. In the analysis that follows, we make these perceptions endogenous, and allow them to interact with political choices. In this way we derive different equilibria with different levels of clientelism and degrees of inequality legitimization that will then be mapped to our target linkages of traditional clientelism, modern clientelism and redistribution.

3 Model of Clientelism

3.1 Set-up

General set-up

We consider a society of citizens, indexed by i , and distributed in the unit interval, all born with capital k . There is also a rich patron with capital such that average capital in the society is \bar{k} . A simple technology transforms capital into income so that the income generated by each citizen is $y = k$ and average income is $\bar{y} = \bar{k}$. At the end of their life, citizens consume the totality of their income.

The main decision that citizens make is between engaging in a clientelistic relation with the rich patron or supporting a redistributive platform. The redistributive platform might achieve a given level of income redistribution (yielding \bar{y} to everyone), but only with some probability p^* . p^* forms the basis for *efficacy* perceptions, i.e. perceptions that mobilization for redistribution will succeed. A clientelistic relationship, in contrast, yields a secure transfer T , unless the redistribution platform succeeds. However, it may generate a utility cost K . K may be interpreted as a moral cost of engaging in clientelism (as in Gonzalez Ocantes, Kiewiet de Jonge and Nickerson (2014)), or it can be understood as the utility cost associated with an ideological affinity with the redistributive platform (as in standard models of clientelism).⁵

We assume that citizens differ in their efficacy beliefs p^i . Citizens start life with a benchmark

⁵While the most common interpretations of K would imply that K is negative (i.e. a cost), the model perfectly accommodates the case where it is zero or even positive.

efficacy perception p (related to the “true” p^* in a way explained below). As the individual gets exposed to different narratives regarding efficacy, perceptions move away from this benchmark according to the realization of a random variable $\epsilon^i : p^i = p + \epsilon^i$. We assume that ϵ^i follows a uniform distribution with mean zero and extremes $\pm\sigma$, where σ thus denotes the extent of diversity of opinion regarding efficacy.⁶

Citizens utility

Citizens’ utility comes partly from consuming their income. For simplicity we assume logarithmic utility. However, inequality and its legitimacy also affect utility. Typically, inequality aversion is introduced simply as inequality generating disutility to the individual. The social psychology literature, however, provides a more nuanced account of the emotional impact of inequality. The crucial ingredient in this literature is the extent to which inequality is legitimized or delegitimized. Major and Schmader (2001) synthesize various social psychology theories, arguing that perceiving inequality as illegitimate may be protective emotionally in the short run but harmful if sustained “chronically”.⁷ We thus consider that inequality affects self-esteem depending on how much it is delegitimized and on whether it is experienced only at the beginning of life, or throughout the whole life, where redistribution has had a chance to occur. The psychological effect of social inequality is thus:

$$\theta \ln\left(\frac{\bar{y}}{y}\right)(\alpha - (1 - p^i))$$

where θ captures the strength of inequality delegitimation and $\ln\left(\frac{\bar{y}}{y}\right)$ measures inequality

⁶Notice that p is a probability and so should be bounded between 0 and 1. This implies that if σ is relatively high there will be a discrete mass of individuals holding efficacy perceptions $p^i = 1$ and a mass holding efficacy perceptions $p^i = 0$. It turns out that this boundedness has only small implications for the main results of the model. We will stress the consequences of the boundedness of p^i when relevant.

⁷Major and Schmader’s (2001) work contrasts two opposing social psychology theories on the self-esteem implications of delegitimizing inequality. “Ego defense perspectives” argue that perceiving social inequalities as unjust can be protective emotionally, as this buffers self-esteem by over-attributing personal bad outcomes to external factors such as discrimination and injustice. “System justification” theories, in contrast, argue that consistently believing in an unfair world erodes self-esteem. The argument is that beliefs in an unjust world erodes the feeling of being socially accepted, or generates anxiety by decreasing one’s perception of predictability and control over the environment.

(i.e. the relative distance of the poor to average income).⁸ Delegitimizing inequality at the beginning of life has a *positive* self-esteem effect of strength α . However, if inequality is also experienced when old (which occurs only if the redistributive platform does not succeed, with probability $1 - p^i$), it generates negative utility the more it is delegitimized.⁹ We assume that $\alpha < 1$ so that inequality experienced over a life time, overall, generates disutility.

If an individual decides to engage in clientelism, her utility is thus:

$$\begin{aligned} V_C = & p^i \ln(\bar{y}) + (1 - p^i) \ln(y + T) \\ & + \theta \ln\left(\frac{\bar{y}}{y}\right) (\alpha - (1 - p^i)) \\ & - (1 - p^i) K \end{aligned}$$

where the first term is the utility from net income. Notice that even if the individual chooses clientelism, successful redistribution might still occur with perceived probability p^i . The second term of the equation represents the utility consequences of inequality delegitimation and the third term, involving K , is the utility cost of clientelism, which applies as long as the redistributive platform does not succeed.

While engaging in clientelism secures the material benefit T , we assume that supporting the redistributive platform has the perceived benefit of rendering it more likely. We assume that if an individual chooses to support the redistributive platform, she gives up the transfer T , but *believes* that her choice increases the chances of redistribution from p^i to $p^i + g$. The parameter g is a purely perceptual parameter, and can be thought of in terms of another important concept in the social psychology literature of mobilization: *group identification*. Group identification is thought to reduce the perceived cost of collective action (Van Zomeren, Postmes and Spears 2008). In our case, since the redistribution option is a collective endeavor, it makes

⁸Notice that this measure of inequality does not incorporate the transfer T because inequality aversion applies to the degree of inequality at the collective, rather than individual, level.

⁹If the redistributive platform succeeds, inequality is $0 = \ln\left(\frac{\bar{y}}{\bar{y}}\right)$.

sense to consider that having a high sense of group identification will make people take the perspective of the group when considering the implications of their actions, believing that their choice matters for the success of the redistribution platform. The exact value of parameter g and its interpretation in terms of group identification is not key to the model. What is crucial, however, is that g is higher than zero so that the individual perceives that her support of the redistributive platform makes it more likely to succeed.

Citizens' utility in case of supporting the redistributive platform is thus:¹⁰

$$V_R = (p^i + g) \ln(\bar{y}) + (1 - p^i - g) \ln(y) \\ + \theta \ln\left(\frac{\bar{y}}{y}\right) (\alpha - (1 - p^i - g))$$

Clientelistic transfers and true efficacy

We assume that the actual probability of redistribution p^* equals the share of citizens that choose to support the redistributive platform.

The level of transfers offered as a clientelism inducement T , in turn, are assumed to be chosen by the rich patron. We will assume that this choice is made in order to minimize the probability of redistribution success at a minimum cost.

Intergenerational linkages

Each citizen has one offspring, who inherits the capital k . Dynasties are indexed by t . The assumptions we make about capital and income allow us to keep income constant across generations while allowing for the possibility of redistribution within a generation: even if the redistributive platform succeeds and redistribution takes place, citizens in the next generation start with capital k and thus face the same problem all over again. This simplifying assumption

¹⁰ $p_i + g$ is a probability, valued between zero and one. We assume that efficacy perceptions p_i are consequently bounded between zero and $1 - g$, and will generally consider g as “small”. A more rigorous rendering of the definition of p_i would thus be $p^i = \min(\max(p + \epsilon_i, 0), 1 - g)$.

allows us to focus on the dynamics of efficacy perceptions (and later inequality legitimization) while keeping the model tractable.

The dynamics of efficacy perceptions are based on *adaptive* expectations. We assume that the benchmark perceived efficacy in generation $t + 1$, p_{t+1} , is simply the actual probability of redistribution for the previous generation: $p_{t+1} = p_t^*$. The variable p_{t+1} thus captures several important notions in the model: benchmark efficacy perceptions at time $t + 1$, the probability that redistribution succeeds at time t (“true” efficacy at time t), and (one minus) the extent of clientelism at time t .

The timing of the model is as follows. Citizens in generation t start with some capital k and benchmark efficacy perception p_t . They then get exposed to different narratives leading to an individual p_t^i . The rich patron then selects transfers to offer T . With these transfers and these efficacy perceptions, individuals make their clientelism choice, determining the extent of clientelism and support for the redistributive platform and, in turn, the probability that redistribution actually occurs p_t^* . Redistribution occurs with probability p_t^* , and individuals consume their income and die. The next generation then starts life again with capital k and with benchmark $p_{t+1} = p_t^*$.

We solve the model in the following way. First, comparing the utilities from clientelism and redistributive platform for given transfers, we derive the demand for clientelism. This gives us a critical value of p_t^i below (above) which clientelism (redistribution) is chosen. This allows us to compute the true probability of redistribution p_t^* , given transfers T_t and benchmark efficacy p_t . Knowing this, we can derive the patron’s transfer choice. This leaves us with a recursive formulation for efficacy (and its mirror image, clientelism), which we then analyze. The following subsection extends the model to endogenize legitimacy perceptions and analyzes the joint determination of efficacy, clientelism and legitimacy.

3.2 The demand for clientelism

Clientelism is a preferable alternative if $V_C > V_R$. This condition simplifies to:

$$\ln\left(\frac{y+T}{y}\right) > K + \frac{g(1+\theta)}{1-p^i} \ln\left(\frac{\bar{y}}{y}\right) \quad (1)$$

This equation has a simple interpretation. The left-hand-side is the benefits of choosing clientelism reflecting the gain in income from the transfer T . The right-hand-side is the benefit from choosing the redistributive platform. These benefits stem from saving the utility costs of clientelism K and from the increased likelihood of successful redistribution g . The latter are discounted by $(1 - p^i)$ (since gains accrue with some probability), but amplified by the inequality delegitimation utility gain from the reduction in inequality θ . This expression immediately shows that higher inequality delegitimation θ , higher efficacy perceptions p^i and higher group identification g will all discourage demand for clientelism.

It is instructive to consider what determines the choices of the poor, even at this stage, where some determinants are in reality still endogenous. To that end, we collect all the terms having y in the denominator. We obtain:

$$\ln(y+T) > K + \left(1 - \frac{g(1+\theta)}{1-p^i}\right) \ln(\bar{y}) + \left(1 - \frac{g(1+\theta)}{1-p^i}\right) \ln(y)$$

For poor individuals, y approaches zero. In that case, $\ln(y)$ in the right hand side goes to minus infinity implying that all the other additive terms in the expression will have no impact on whether the inequality holds. Whether the term tends towards plus or minus infinity depends on whether $\frac{g(1+\theta)}{1-p^i}$ is higher or lower than one. This, in turn, depends on the extent of group identification, efficacy and inequality delegitimation perceptions.

Importantly, in our model, the ideological and moral issues considered in standard models of clientelism (embedded in the parameter K) will have no impact on the clientelism choice of poor individuals. Rather, this choice will be fully determined by whether they deem that social inequality is illegitimate, that horizontal mobilization is likely to succeed, and have strong group identification. This is very intuitive and follows precisely from the fact that decreasing marginal utility makes non-income issues irrelevant for the very poor, but makes

them care strongly about the prospects of redistribution.

The obvious question that emerges is then: When do we expect to observe high efficacy and delegitimation perceptions and when not? The next subsections tackles this question by analyzing the full model.

3.3 Efficacy and clientelism

Setting the equation (1) to equality, gives a critical value of efficacy \hat{p} above which people support redistribution (i.e. those with $p^i > \hat{p}$). We derive this critical value using an approximation with $\ln(1+x) \approx x$, in order to keep the model tractable. This yields:

$$\hat{p} \equiv 1 - \frac{g(1+\theta)(\bar{y} - y)}{T - yK}$$

The share of people at time t supporting redistribution (p_t^*) is then just:

$$p_t^* = \int_{\hat{p}}^1 dp_t^i$$

with the integral going over the i . Solving this equation yields an expression for true efficacy p_t^* which depends on the position of benchmark efficacy perceptions of generation t relative to the threshold \hat{p} :

$$p_t^* = \frac{1}{2\sigma}(p_t + \sigma - \hat{p}) \tag{2}$$

This equation represents the share of individuals with perceptions p_t^i higher than the threshold \hat{p} , as the range of values $(p_t + \sigma - \hat{p})$ times their density $\frac{1}{2\sigma}$.

Choice of transfers by the patron

Given that the emphasis of this paper is on the demand side of clientelism, we model the supply side in a minimal way to keep the model tractable. We assume that the patron wants to secure as many clients as possible, thereby reducing the chances of horizontal mobilization, while spending as little as possible in transfers. We take the simplest possible formulation that captures this, assuming that the maximization of the patron is simply:

$$\text{Max } 1 - p_t^* - T$$

with p_t^* given by equation 2.

Solving the first order condition for T yields:¹¹

$$T^* = \sqrt{\frac{g(1+\theta)(\bar{y} - y)}{2\sigma}} + yK \quad (3)$$

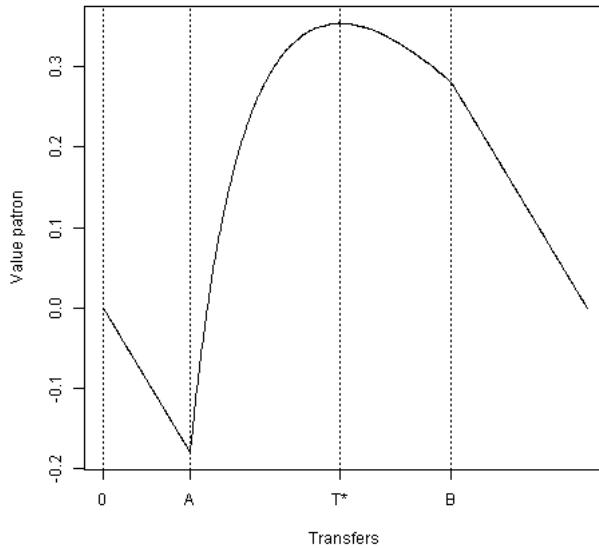
The more effective transfers are at demobilizing citizens, the higher the transfers that the patron will offer. This depends on the effect of transfers on the efficacy cut-off \hat{p} and the density of citizens at the cut-off. The sensitivity of the efficacy cut-off, in turn depends on how much citizens stand to gain from redistributive mobilization: Citizens for which the alternative to clientelism is not attractive (be it because of low group identification g , low inequality delegitimation perceptions θ , or low ideological cost of clientelism K) will not need much money spent in them.

While we will primarily focus on the interior solution T^* , other “corner” solutions are also possible. This is because p^* is bounded between zero and one. The marginal benefit of transfers is zero for sufficiently low transfers as all individuals prefer redistribution. The same applies with sufficiently high level of transfers, where all individuals already prefer clientelism

¹¹The second order condition is satisfied as long as $T > yK$ which generally be the case - unless θ is strongly negative.

and there is no one else to lure. Figure 2 provides an example of the patron's value function, illustrating the potential maxima. In this case, the solution is indeed T^* , but it easy to see that zero and B could also potentially be maxima. Zero transfers provides the patron with utility equal to zero, as no clients are forthcoming and no resources spent. B is the minimum level of transfers that makes all citizens willing to support the patron.

Figure 2: Value function of the patron. Interior and potential corner solutions



The corner solution B applies if the interior solution T^* is higher than B . Then, the interior solution T^* is unnecessary generous, as all citizens are already willing to give their support to the patron for less. This situation occurs when parameters are such that clientelism is generally attractive for all level of transfers, such as when inequality delegitimation is low.¹² The corner solution at zero applies in the opposite situation, when parameters are such that redistribution is very attractive for all levels of transfers. Then it pays off to spend the minimum possible amount, which is zero.¹³ The zero corner solution implies that, in some sense, the patron must take two decisions, one whether to have clients at all and a second of how much to spend on them. This, in turn, implies that optimal transfers may jump abruptly as parameters change. Starting from an interior solution with clients, a small change in the environment, such as inequality becoming more delegitimized, can make clientelism altogether unattractive

¹²The expression for transfers at point B is $T = \frac{g(1+\theta)(\bar{y}-y)}{1-(p+\sigma)} + yK$ and applies when $g(1+\theta)(\bar{y}-y) < \frac{(1-(p_t+\sigma))^2}{2\sigma}$.

¹³The condition for zero to be the maximum is $g(1+\theta)(\bar{y}-y) > \frac{(1-p_t+\sigma-2\sigma Ky)^2}{8\sigma}$.

for the patron, who may then decide to withdraw and not spend any resources. This can be easily visualized in figure 2, with an increase in inequality deligitimization lowering the concave section of the function until even at its maximum it becomes lower than zero.

Dynamics of efficacy and clientelism

Equation 2 yields efficacy p_t^* as a function of transfers T and benchmark efficacy perceptions p_t . Observing that these benchmark perceptions equal true efficacy in the previous generation and plugging the transfers chosen by the patron in equation 3 yields the law of motion of efficacy perceptions (which also govern the dynamics of true efficacy and clientelism):

$$p_{t+1} = \frac{1}{2\sigma} (p_t + \sigma - 1 + \sqrt{2\sigma g(1+\theta)(\bar{y} - y)}) \quad (4)$$

Notice the dynamics implied by 4: dynamics will be explosive if $\sigma < \frac{1}{2}$; otherwise, p will converge. Therefore, if idiosyncratic shocks to efficacy perceptions are unimportant, perceptions of efficacy (and levels clientelism) will go towards the extremes: either everyone will become clientelistic or everyone will support the redistributive platform. The reason is that, with small idiosyncratic shocks everyone will behave similarly, and situations with intermediate levels of clientelism and efficacy will be unsustainable: If efficacy p_t happens to be lower than the critical value \hat{p} , essentially everyone will find it worthwhile to engage in clientelism and the next generation will have as benchmark a perception of almost zero efficacy, and the society will remain clientelistic.

This mechanism captures a fundamental complementarity between clientelism and inefficacy which applies when there is little diversity of opinion. Then, high levels of clientelism generate perceptions of inefficacy, and such perceptions, in turn, fuel further clientelism. Diversity of opinion, however, can break this cycle. If idiosyncratic shocks are sufficiently large, even in a situation where most parents are clientelistic, there will be a substantial amount of children that are exposed to experiences that lead to believe relatively high potential efficacy, and the society will avoid becoming totally clientelistic.

While diversity of opinion determines whether dynamics are explosive or not, the particular extreme towards which the system will go (whether it is totally clientelistic or totally redistributive) depends on other parameters as well. In particular, it depends on the intercept in equation 4. A clientelistic steady state will exist if $p_{t+1}(p_t = 0) < 0$. If this is not the case, even at the lowest possible starting point of efficacy, horizontal redistribution will be sufficiently attractive and the dynamics will push the system towards ever more efficacy and lower clientelism. It is easy to see that the intercept in equation 4 depends crucially on inequality delegitimizing perceptions θ . Thus, fully clientelistic steady states can be supported only with sufficiently low delegitimizing perceptions. In the following section we thus extend further the model to endogenize such perceptions.

3.4 Endogenizing perceptions of legitimacy

We assume that perceptions of inequality legitimization are partially “chosen”. Specifically, parents can affect their offspring’s legitimization perceptions and do so to maximize their offspring’s well-being. However, we also assume that there is a “true” value of inequality legitimacy θ^* and children’s perceptions end up being a weighted average of parental choices z and the “true” value.¹⁴ In particular, we assume that generation $t + 1$ perceptions equal:

$$\theta_{t+1} = \eta\theta^* + (1 - \eta)z_{t+1}$$

The weight η captures the scope of parents to influence children’s values. This notion is related to the ability of community members to have access to alternative points of view allowing them to question what they have been taught at home.

We assume that parents transmit legitimization values altruistically in order to maximize their children’s self-esteem. However, it is reasonable to assume that there are adjustment costs in the transmission of values, in the sense that it is psychologically costly for parents to transmit

¹⁴With “true” value we mean an objective measure of how much incomes are generated according to standard conceptions of justice, such as the degree of equality of opportunity or whether incomes are obtained through effort vs. connections.

values far away from those they believe themselves. For simplicity, these costs are assumed to be quadratic. The maximization problem of the parent is simply¹⁵:

$$\text{Max } \theta_{t+1} I(\alpha - (1 - p_t)) - \frac{1}{2}(z_{t+1} - \theta_t)^2$$

Rearranging, the first order condition yields the following law of motion for θ :

$$\theta_{t+1} - \theta_t = \eta(\theta^* - \theta_t) + (1 - \eta)^2 I(p_t - (1 - \alpha)) \quad (5)$$

Legitimation perceptions will become more or less acute in a society depending on two factors. First, there will be a tendency to go towards the “true” level θ^* : as the first term of the equation shows, inequality will become more delegitimized if current perceptions are below the true ones and vice versa. However, legitimation perceptions also move independently of real injustice, from the attempts of parents to protect their children’s self-esteem. This is given by the second term of the equation and depends crucially on efficacy p . If p_t is low enough, parents will realize that high inequality is largely inevitable and long lasting and will want to shield their children from the pain of bearing a harmful sense of injustice for a protracted period of time. Thus, they will make them less sensitive to injustice and thus delegitimation perceptions will decrease over time. The reverse occurs if p_t is high. The relative importance of “reality” considerations vs. utility maximizing ones, will be determined by η , the scope of parents to affect children’s perceptions. If individuals in a community have access to alternative narratives these perceptions will converge towards the real θ^* . If, in contrast, alternative narratives are not available to the community, inequality delegitimation perceptions will drift independently of reality following parental attempts to protect their children.

¹⁵This formulation assumes that parents are only concerned with the self-esteem implications of legitimizing inequality, not with overall children’s utility. The latter would require that parents consider the effects of their value transmission for their children’s political choices, which would complicate the analysis considerably. Given that such type of consideration would translate into a second order effect, we believe that our assumption can be a good approximation.

3.5 Dynamics and steady states

Equations (4) and (5) form a system of equations in differences that jointly determine the dynamics of efficacy and legitimacy at the society level. The schedules that keep p and θ constant, respectively, in the (p, θ) space are then:

$$\Delta p = 0 \rightarrow p_t = \frac{1}{1-2\sigma}(\hat{p}_t(\theta_t) - \sigma) \quad (6a)$$

$$\Delta \theta = 0 \rightarrow \theta_t = \theta^* + \frac{(1-\eta)^2}{\eta} \frac{\bar{y}-y}{y} (p_t - (1-\alpha)) \quad (6b)$$

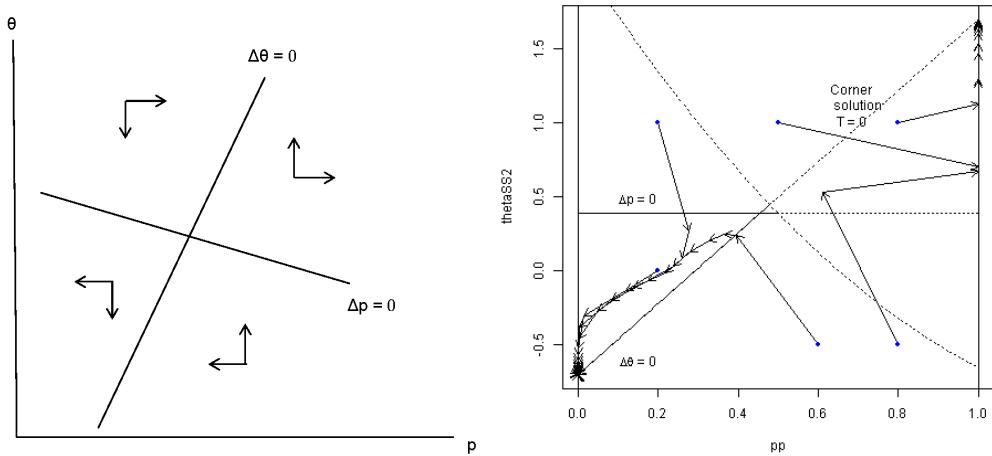
These schedules can be used to construct a phase diagram depicting the dynamics of the system. Dynamics are radically different if σ and η are low or high, because these parameters determine the slopes of $\Delta p = 0$ and $\Delta \theta = 0$, respectively, and whether one slope is higher than the other determines dynamics. Interestingly, σ and η are community level parameters that capture relatively similar notions. σ denotes diversity of opinion on efficacy in the community, while η denotes the scope of parents to affect their children values. Both these notions reflect the availability of “competing” narratives regarding efficacy and inequality delegitimation. For short, we will denote the case of a community with low σ and η as informationally isolated, and one with high σ and η as informationally connected.

Dynamics are governed by equation 6 when the transfers chosen by the patron correspond to the interior solution T^* . A third relevant schedule characterizes the locus of points with transfers at the corner solution of zero. As mentioned above, this occurs when clientelism is particularly attractive for all levels of transfers, i.e. when benchmark efficacy and delegitimation are high (see footnote 13). Then, the patron chooses to save all resources, withdraw, and accept zero clientelism.

Informationally isolated communities

Consider first the case of informationally isolated communities, depicted schematically in the phase diagram in figure 3. This is the case where σ and η are low so that the slope of $\Delta p = 0$ is lower than that of $\Delta\theta = 0$. The steady state given by the intersection of the two schedules in the middle of the graph is then unstable. The resulting dynamics are divergent, with inequality legitimization and efficacy reinforcing each other. A low sense of efficacy leads to high levels of clientelism. Parents, realizing that instilling a strong sense of injustice in their children is likely to lead to their frustration, educate them rather to legitimize existing inequalities. This makes the following generations more supportive of clientelism, leading to even less sense of efficacy, and so on. The converse occurs at high levels of efficacy and inequality delegitimation. If these are high enough, the system reaches the corner solution with zero transfers, and clientelism suddenly disappears.

Figure 3: Phase Diagram - Low Connectivity



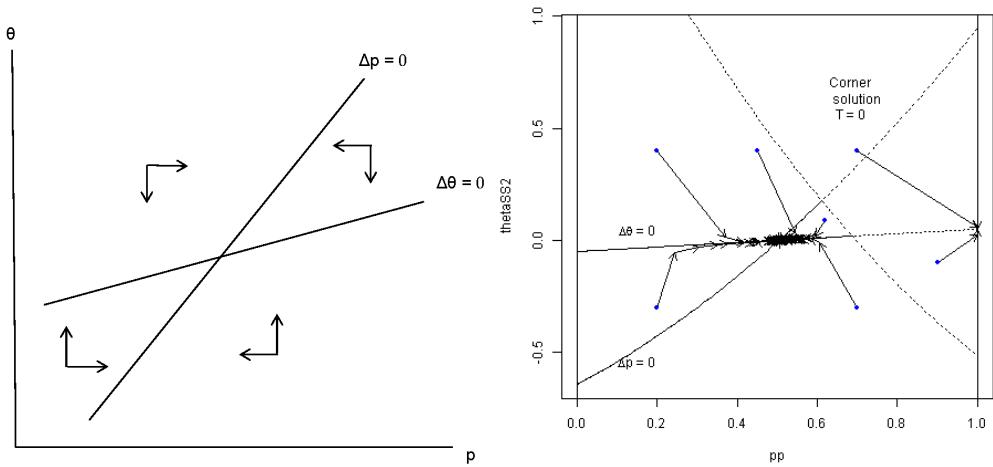
Informationally isolated communities thus can converge to two polar opposite types of steady state, one with low sense of efficacy and delegitimation where clientelism is pervasive, and another one where the opposite occurs and clientelism is eliminated. The right panel of figure 3 shows a parametric example of the model in the case of informational isolation, showing the trajectories followed by communities with different starting points. The figure also shows the locus of points with transfers at their zero corner solution, at high benchmark efficacy and

high inequality delegitimation. Communities starting with relatively low levels of p and θ are shown to converge to the steady state with widespread clientelism, and vice versa.¹⁶

Informationally connected communities

The system behaves in a dramatically different manner in a situation of informational connectivity (where η and σ are large enough for the slope of $\Delta p = 0$ to be higher than that of $\Delta\theta = 0$). This case is depicted schematically in figure 4. The steady state at the intersection of $\Delta p = 0$ and $\Delta\theta = 0$ is stable and all trajectories converge towards it. In the long run, regardless of where they start, communities converge to a situation of intermediate delegitimation and efficacy perceptions and intermediate levels of clientelism. In that situation, there is a wide variety of individual perceptions of efficacy given by the different individual experiences. Those that end up with low idiosyncratic perceptions of efficacy are drawn to clientelism. The right panel of figure 4 shows a parametric example of this type of steady state, with all communities converging to the unique steady state with intermediate levels of θ and p . The exception to this is, as before, the northeastern region where the patron withdraws and chooses the zero transfers, leading to a fully redistributive situation immediately.

Figure 4: Phase Diagram - High Connectivity



¹⁶Notice how the fact that p needs to be bounded between 0 and 1 implies that, once p reaches any of these boundaries, it stays travelling vertically towards the schedule $\Delta\theta = 0$, which features attractive dynamics. The steady states thus correspond to $p = 0, 1$, and θ given by equation 6 evaluated at $p = 0, 1$.

4 Discussion

The model predicts two types of steady states with clientelism: the full clientelism steady state in some isolated communities, and the informationally connected steady state. These two types of steady states have characteristics that map onto the distinction between traditional and modern types of clientelism: consistent with the stylized characterization of the different types of clientelism above, the full clientelism steady state in the model features, in relative terms, a high degree of inequality legitimization and more stability. In addition to this, the model yields useful insights on the mechanisms that give rise and make these types of clientelism persist. This section discusses these mechanisms and illustrates them with examples from the ethnographic literature on clientelism and other strands of literature. It concludes with a discussion of the implications of the model for policies that aim to eliminate clientelism/ strengthen accountability.

4.1 Legitimation and stability in traditional and modern clientelism

Legitimation

In the model, one of the main differences between the two types of clientelistic steady states is the degree of inequality *legitimation* by citizens. In particular, citizens are predicted to legitimize social inequalities in the “traditional” steady state. It is this distinction that largely warrants the use of the terms traditional vs. modern.

Indeed, legitimacy is one of the key notions in the characterization of traditional forms of clientelism. The literature characterizes traditional clientelism as involving “loyalty” and “deference” from the client’s side and *affection* as a key feature of the links between client and patron (Landé 1977, pp. XXIX). Unequal social relations in “traditional” settings are thus largely legitimized. For instance, Silverman (1977), discussing the transformations of clientelism in Central Italy, argues that traditional clientelism frequently involves “a denial of utilitarian motives and an insistence instead upon non-priced demands of ‘loyalty’.” In this context, patronage, then provides a “close, *highly sanctioned*, and self-perpetuating relation-

ship between different social strata" (p.298, emphasis ours). Another example of this is the traditional-style broker client relations described by Auyero (1999) in present-day Argentina. Even when confronted with the unequal nature of the relationship, clients depict brokers as "being so good" or "always lending a hand." Although brokers control material resources on which clients rely, clients do not portray the relation as as an unequal power relationship, but rather as one of mutual favors. Neither the brokers' motives nor the unequal status-quo in which the relation takes place is put into question by the clients.¹⁷

In contrast, modern clientelism is typically characterized as an exclusively monetary type of transaction, with no loyalty and no ceremony attached. These type of relations underpin much of the scholarly literature on vote-buying, and examples of these relations abound in the press and on the streets at election time. For example, in the Dominican Republic, a voter who had openly admitted to vote-selling explained, "(the parties) are all the same. They come around during elections, and never again. If I can get a few pesos for voting, then that's enough for me." (Gonzalez-Acosta 2008). Or, as a group of women waiting outside the polls during the 2013 Jordanian election put it, "the candidates will never answer their phone after the voting is over, so you might as well get what you can on Election Day."¹⁸ There is no positive value attached to the social setting in which such transactions take place.

Stability

An additional important implication of the model is that modern clientelism will be relatively fluid, while traditional clientelism will be very stable. In the modern case, any change in parameters will affect the schedules $\Delta\theta = 0$ and $\Delta p = 0$, leading to a change in the steady state, and thus to a permanent change in the level of clientelism. The situation is different in "traditional" steady states. There, changes in the environment that affect the benefits and costs of clientelism will have no fundamental or long lasting effect on clientelism. Even if these changes succeed in affecting clientelism in the short run, the results are likely to be short

¹⁷Lazar (2004), while generally describing more utilitarian-minded clients in Bolivia, also shows how politicians seeking to increase their local power base invoke cultural institutions of personal obligation such as the "*compadrazgo*" which creates a moral form of allegiance from the clients' side.

¹⁸Fieldnotes by one of the authors.

lived, with the community returning endogenously to the traditional situation. The very fact that social inequality is legitimized in the “traditional” steady state makes this situation very difficult to change.

Indeed, in the literature, one of the key characteristics of traditional clientelism is considered to be its stability. Moreover, as in the model, such stability is directly linked to legitimacy. For instance, the role of legitimization practices for the resilience of clientelistic relations is argued by Foltz (1969) when discussing the linkages between elites and citizens in 1960s Senegal. A “patron does not *buy* client’s support and recognition” (emphasis in the original). “Public gift-giving is a patterned process, designed to ennable the giver and reflect ‘high concern for honor’, not an underhanded and reprehensible attempt to buy support and status.” And thus the author concludes: “As such, it is a particularly difficult pattern to extirpate, and one that is likely to continue to pervade many aspects of Senegalese life” (p. 244). Silverman’s (1977) description of traditional clientelism in Central Italy also points at the links between the stability of the relation and its mode of legitimization: “... the relation between patron and client is durable. [...] Stability of the patron-client tie is reinforced by its patterning after kin relationship, the patron becoming ‘like a father’ in obligations to and respect due from the client.” In this context, she notes the “close connection between ‘patronage’ and ‘paternalism’” (p.297). Archer (1990) also emphasizes the stability of traditional clientelistic relations. As in the Italian case, one of the elements cementing this stability is the patron becoming a godfather of client’s children, a direct way of creating kinship and durable relations between the two.

Authors have noted, not only how legitimacy may render traditional clientelism stable, but also how it may specifically delay the success of horizontal mobilization, as in the model. As Silverman (1977) observes, “the paternalism of the *mezzandria* [the landlord-peasant relation giving rise to “traditional” clientelism], has often been pointed to as a factor in delaying the spread of labor agitation to the Central Italian hill region for several decades after its onset in in many agricultural areas of the nation about 1870.” Notice, again, the emphasis on the key role attributed to legitimization patterns of the “traditional” relation (the “paternalism”) for its resilience relative to horizontal mobilization (pp. 296-297).

4.2 Breaking vs. transforming Clientelism

In the model, there are two different ways in which “traditional” types of clientelism may disappear. First, clientelism may altogether give way to horizontal, programmatic mobilization. As Schmidt (1977) notes in his study on clientelism in Colombia: “since clientelism is a vertical relation, its breakdown could produce greater horizontal identities and links (i.e. class-based political competition)” (p. 318).¹⁹

In the model, this may come about via a dramatic shift of parameters that massively strengthens the clients, for instance through an exogenous large increase in efficacy perceptions. Such a dramatic shift can turn the dynamics of efficacy and legitimacy perceptions upside down. With large enough efficacy generating sufficient mobilization to start de-legitimizing the status quo, this can bring further mobilization and delegitimation. Such massive changes have been experienced when witnessing successful mobilizations in similar types of places.²⁰.

The other way in which traditional clientelism may disappear is by becoming transformed into a more modern type. Scott (1972), describing the transformation in the nature of clientelistic linkages in South East Asia, argues that one of the key developments has been a loss of its “*traditional legitimacy*”. This implied a shift in the balance between affective and instrumental ties in the direction of the latter, with exchanges becoming more “monetized” and focusing “more on the rate of return from the relation rather than on its durability” (p.106-07). Silverman (1977) gives another example of such transformation in her study of Central Italy during the second half of the 19th century and first half of the 20th century. She argues that as traditional clientelism disappeared, the political linkages of citizens have changed, including more “structurally horizontal links” as well as clientelistic relations, but of a short and more targeted nature (p. 303).

In the model, such transformation can come about via an increase in informational connec-

¹⁹See also Landé (1977) who argues that “The vertical structure of alliances [in traditional clientelism] inhibits the emergence of class loyalties or action among subordinate population” (p. XXX).

²⁰This paper’s focus is on the role of perceptions for sustaining clientelism. However, we acknowledge of course the argument made by other scholars on the role of client’s rising income for the demise of clientelism (see for example Stokes et al. (2013)

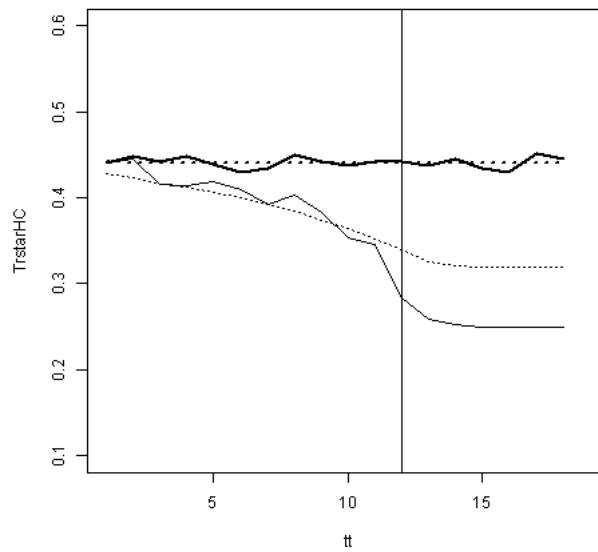
tivity of the community, which changes the dynamics of the system, breaking the complementarity between efficacy and de-legitimation. Weingrod (1968) studies such transformation of clientelism in the Italian island of Sardinia. His work explicitly attributes the reason for such transformation to an increase in the community's connectivity to the outside world. Through the evolution of indicators of community isolation, such as intra-village marriage or intra-village godfathering, he shows how such evolution coincides with the transformation in clientelism. Noting the increasing connections with the outside in terms of education, economic ties, or the spread of mass media such as radio or television, he argues that this new participation in the “mass society” breaks old linkages and gives predominance to new ones where political party patronage becomes key. Related, the transformation of traditional clientelism into modern broker clientelism in Colombia has been attributed to an increase in market penetration. This offered previously unavailable alternatives and opportunities to clients. As Archer (1990) argues, this has led patrons to attempt to reorganize their relationships with clients “seeking to change the relationship from an affective one to one based on rational market principles” (p.17), that is, to a relationship based on a direct quid-pro-quo type of exchange.

4.3 Implications for policy

The model delivers two related policy-relevant insights on clientelism. First, the model suggests that clients will receive a better deal out of clientelism in modern settings relative to traditional ones. There are two reasons for this. First, “traditional” steady states feature lower levels of inequality delegitimation than modern settings, and the transfers chosen by the patron are increasing in such perceptions: small transfers are sufficient to appease clients that legitimize inequality. Second, “traditional” steady states are corner solutions with full clientelism. This corresponds to point *B* in figure 2 and implies that inequality is legitimized to an extent that if the patron gave his typical (interior) transfers, everyone would strictly prefer to engage in clientelism (i.e. client's preferences will be “infra-marginal”). In this context, the patron can afford to save an additional portion of transfers without giving up any client.

Figure 5 illustrates these ideas displaying the evolution of transfers over time in communities with high connectivity (thick line) and low connectivity (thin line). All parameters are set at the same value in the two types of communities except connectivity.²¹ For each type of community, the figure shows the true (simulated, possibly corner) solution (solid line) as well as the interior solution T^* from equation 3 (dotted line). In the first periods, transfers are the same in both communities. However, as high and low connectivity communities converge to different steady states (the “modern” and the “traditional”, respectively), differences start to emerge. The low connectivity community receives lower and lower transfers as its inhabitants legitimize inequality more and more. When all inhabitants become clients (indicated by the vertical line), transfers decline even faster as the corner solution of full clientelism applies as the patron can save additional resources. This is apparent in the figure by the difference between the simulated solution (which accounts for this effect) and the interior solution (which does not), from the vertical line onwards. Thus, as the low connectivity community reaches the “traditional” steady state, its clients receive lower transfers than their “modern” counterparts, both because of their lower inequality delegitimation as well as their “infra-marginality”.

Figure 5: Simulation of transfers for high and low connectivity



²¹In particular, the parameter ν is set to a higher level in the connected community

A second, related, implication of the model is that clientelism will be more responsive to interventions in “modern” settings relative to “traditional” ones. Again, there are two reasons for this. First, in “modern” settings, clientelism and redistributive support coexist, and there are “marginal” individuals; i.e. individuals roughly indifferent between the two. Policies that reduce the relative benefits of clientelism will have an impact on such marginal clients, driving them to redistributive support. In contrast, in “traditional” settings, as clientelism is “infra-marginal” in the sense just mentioned, the patron has scope to increase his transfers to keep full clientelism. Policies that reduce the benefits of clientelism in this context will simply be absorbed by an increase in patron’s transfers. Clients would then be better off, but the extent of clientelism would remain unchanged. A second reason why interventions are likely to be more effective in “modern” settings than in “traditional” ones concerns dynamics. Indeed, the stability of traditional clientelism implies that even interventions that succeed in reducing clientelism in the short run, will typically be short lived, as the system will return to full clientelism.

5 Concluding remarks

There are several types of political linkages in which the poor can be engaged. This paper has considered three important of such linkages, namely, traditional and modern types of clientelism and support for redistribution. We have argued that considering citizen perceptions and values is key to understanding these linkages and we have proposed a model that incorporates explicitly perceptions of political efficacy and of inequality legitimization. The model shows that the dynamic complementarity between in-efficacy, clientelism, and inequality legitimization can generate polar opposite steady states, one of which has the main characteristics of traditional clientelism. However, these complementarities are broken when communities become more connected to the outside world and citizens have access to competing narratives on efficacy and inequality legitimization. This leads to a unique steady state where clientelism and redistribution co-exist, and which resembles a situation of modern clientelism, or vote-buying. For tractability, the model was built using a number of simplifying assumptions, but

we believe that it provides insights that are apply more generally.

These insights are both theoretically and substantively important. They turn our attention to how belief systems of the poor shape the nature of political exchange. In particular, acknowledging the endogeneity and the potential complementarities of perceptions of political efficacy and legitimization could complement existing work to help explain the durability of diverse political phenomena such as ethnic voting or authoritarian rule.

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Appendix

Information on Data, Coding and Merging Procedure for data in Figure 1

We merge the integrated version (i.e. the last five waves) of the World Values Survey (WVS) with data from the “Democratic Accountability and Citizen-Politician Linkages” (DA) project.²². The WVS is an individual level survey about values and attitudes and includes party preferences (“which party would you vote for if there were elections tomorrow”). The DA data comes from an expert survey that quantifies the extent of clientelistic/programmatic linkage efforts of political parties. For each party, it provides the mean expert rating on clientelistic effort. The two datasets are merged by attributing WVS respondents the clientelism score of their supported party as given by the DA data, thus providing a measure of support for clientelism at the individual level. The resulting dataset has 54 countries from different world regions.²³

We proxy efficacy by a variable that asks how often voters are offered a genuine choice in elections. This captures efficacy in that more perceived choice should be related to a higher perception that one’s policy preferences are represented and can be implemented.²⁴ The proxy for inequality delegitimation has a value of one if respondents simultaneously believe that incomes should be made more equal *and* that success comes from luck and connections.²⁵ For poverty, we use the WVS income question that asks respondents to asses their income status on a 1-10 scale. We code this variable as three steps, with the poor (rich) with value 1 (3), including the bottom (top) three steps, and the middle with value 2 including the middle

²²Data and documentation are available at <http://sites.duke.edu/democracylinkage/>.

²³The countries include 12 Western European, 12 Eastern European, 10 Asiatic, 10 Latin American, 6 African, and 4 countries in the Middle East and North Africa.

²⁴This question is only asked in the last WVS wave so analyses using such variable have fewer observations than others. In particular, the variable is a dummy variable that takes a value of one if respondents say they this happens very often.

²⁵This variable is thus a combination of two variables, one asking whether the respondent believes that incomes should be made more equal, and another asking if hard work brings success or whether it comes from luck and connections. We combine them in the sense that our inequality delegitimation variable takes a value of one (i.e if both variables have values higher than its median). The inequality delegitimation variable features around 20% of respondents with inequality delegitimation coded as one and the remaining as zero.

four steps. All explanatory variables are coded as dummy variables so the coefficients in the table are comparable.

Table 1 below shows the results from the regressions. For each outcome, the first column pools all observations and includes only wave effects, while all the rest control for the specific country-wave. The other columns use different samples, with column 2 using the whole sample and columns 3 and 4, restrict the sample to (self-reported) poor individuals and to poor individuals in non-Western countries, respectively. Columns 5-8 show the results for supporting programmatic parties. The coefficients reported in figure 1 are those in column 2 and column 4 for clientelistic support, and 6 and 8 for programmatic support.

Table 1

	1	2	3	4	5	6	7	8
Poverty	0.1408 (0.0076)***	0.0129 (0.0034)***			-0.0452 (0.0076)***	-0.0036 (0.0023)		
Injustice	-0.2126 (0.0098)***	-0.0086 (0.0036)***	-0.0239 (0.0065)***	-0.0307 (0.0092)***	0.1460 (0.0099)***	0.0137 (0.0029)***	0.0152 (0.0049)***	0.0154 (0.0057)***
Efficacy	-0.271 (0.021)***	-0.0063 (0.0068)	-0.026 (0.013)***	-0.034 (0.016)***	0.318 (0.022)***	0.0132 (0.0066)***	0.013 (0.012)	0.015 (0.014)
Outcome	cl2	cl2	cl2	cl2	prog2	prog2	prog2	prog2
Sample	All	All	Poor	Non_western	All	All	Poor	Non_western
Country_effects	No	Yes	Yes	Poor	Poor	Yes	Poor	Yes

Robust standard errors in parenthesis. Signif. codes: 0.01 *** 0.05 ** 0.1 *.