

Political Quotas and Governance

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Abstract:

Reserving political office for members of a particular, usually disadvantaged, group is a common form of political quota in many parts of the world. This has been shown to improve distributional access in favour of reserved groups, but often conjectured (and shown) to come at the cost of governance quality.

We develop the first theoretical model to demonstrate the opposite possibility; a reduction in political competition - due to office being restricted to members of a pre-designated group - can improve governance. The model establishes a tight set of predictions regarding when improvements should be expected to occur, and when not. Such predictions are not yielded by alternative theories of political competition, are a priori unlikely to occur by chance, and have never been investigated in the large empirical literature on the effects of political reservations.

We show, in a Maharashtra (India) sample of rural villages, that governance outcomes dramatically improve under reservations for some, but not all, villages. We then demonstrate a non-uniform pattern of improvement that lines up precisely with the predictions of the theory developed here.