

CENTRE FOR STUDIES IN SOCIAL SCIENCES, Calcutta
R 1 BAISHNABGHATA PATULI,
KOLKATA 700094

ECONOMICS STUDY GROUP SEMINAR

Prasenjit Banerjee
Lecturer, Economics
The University of Manchester

shall present

**"Politicians' Motivations: Evidence from a lab-in-the-field experiment
in India"**

Abstract: What are the motivations of those who hold public office—self-selected politicians? In modern indirect democracies and decentralised system, they are awarded broad powers to determine both the direction and the efficacy of government policy. Empirical studies can hardly disentangle political motivations and lab experiments (with students, typically) are of limited interest because of the self-selected problems. We test (i) whether politicians are reputation-concern; and (ii) do they have any psychological costs of lying (i.e., lying aversion) when they have to make promise. We extend Anreoni and Bernheim (2009) work by adding promise and visibility in a controlled lab-in-the-field experiment with real politicians in rural India.

We find heterogeneity in politicians' motivations—intrinsic, image/reputation, and extrinsic (e.g., rent seeking). About 38% of the politicians behave intrinsically—inequality aversion, and 25% of them care about their reputation. Some of them extract more the equal division but give more than zero with or without visibility—perhaps they feel entitled to keep little more than 50-50 (e.g., leadership rent). Promise in isolation reduces the number zero giving and increases causes the frequency of equal division. However, promise, with the possibility of observing actual decisions, increases generous behaviour significantly. On average, politicians tend to promise a 50-50 split of their endowment and keep their promises when they know their actions will be visible.

Date: Monday, 10th April, 2017, 3-5 pm
Venue: CSSSC's Seminar Room, Patuli Campus

Dr. Tushar Nandi
(Seminar Sub-Committee)

All are welcome to attend.