

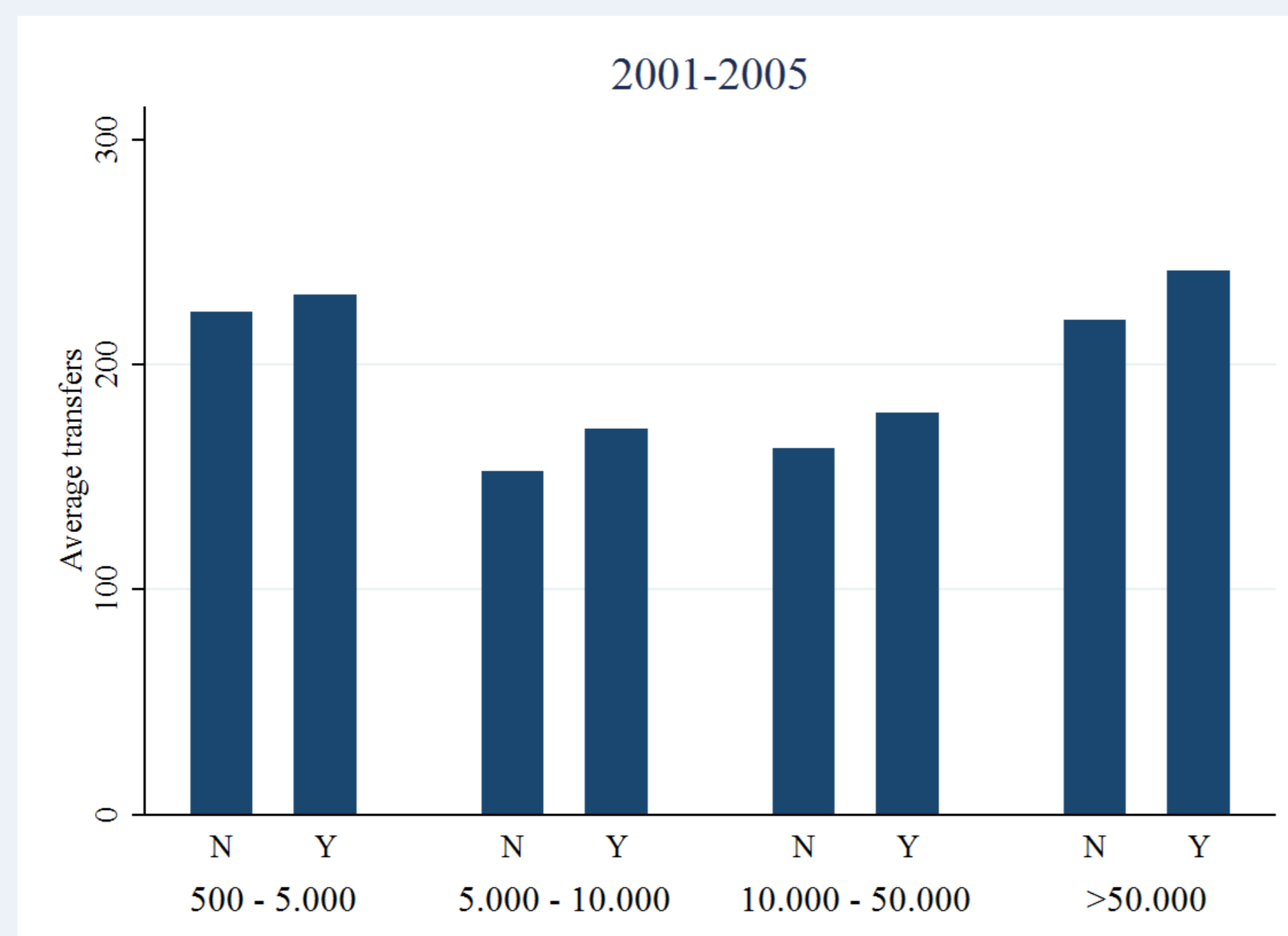
Introduction

- ▶ Parliamentarians may divert public resources to their district or specific groups (pork-barrel politics).
- ▶ Empirical studies of pork-barrel are usually at the district or region level and focus on re-election motives.

Contributions of this paper

Look inside the district: municipality-level data.

- ▶ Link between a politician and the territory: being the municipality of birth.
- ▶ See if birth towns of Italian politicians receive more public transfers.



Average transfers received by birth towns of MPs vs. other municipalities.

Study other incentives beyond re-election

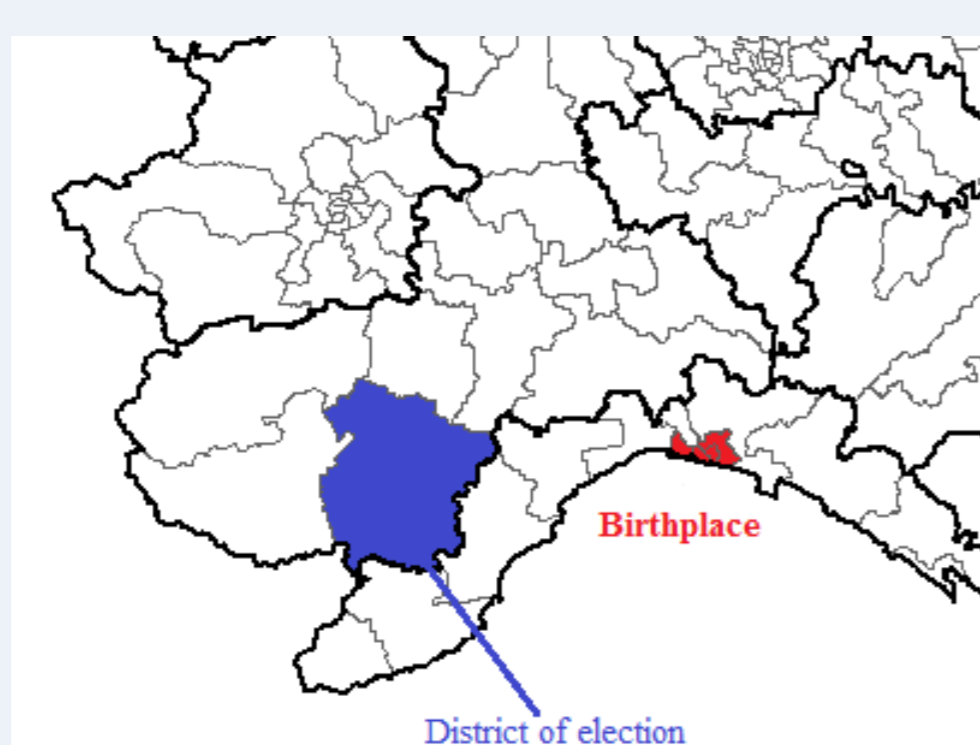
- ▶ Separate politicians depending on whether they are elected in a district that includes the birth town or not.
- ▶ If the birth town is outside the district of election and receives extra transfers, it cannot be for re-election purposes.

Data

- ▶ Yearly government **transfers** per capita received by each municipality, 1994 to 2006, from the Ministry for Internal Affairs' website.
- ▶ Data on **Parliament** composition:
 - ▶ Politicians' characteristics: birthplace, education, previous and posterior experience.
 - ▶ Elections data: number of votes, constituency of election, party.

Identification

- ▶ Birth towns of Members of the Parliament are "connected" to the Parliament.
- ▶ If the MP was elected in a district that includes her birth town, then the town has an **internal** connection.
- ▶ If, instead, she was elected in another district, her birthplace has as an **external** connection.



- ▶ Connection status of towns varies with Parliament turnover.
- ▶ Identification comes from comparing the same town when it is connected with when it is not.

Empirical strategy

- ▶ Regress yearly transfers per capita on connection dummies and controls:

$$transf_{it} = \beta_1 ext.connect_{it-1} + \beta_2 int.connect_{it-1} + \beta_3 prop.connect_{it-1} + \delta' x_{it} + \mu_i + u_{it}$$
- ▶ We use lags because the amount of government transfers is determined at the end of the previous year.
- ▶ x_{it} includes a constant, population, density, vote share of government in the last elections, etc.

Estimation results

	Transf. p.c.	Transf. p.c.	Transf. p.c.	Transf. p.c.
Ext. connect t-1	9.538*** [3.463]	6.118*** [2.150]	5.147** [2.235]	4.116** [1.993]
Int. connect t-1	2.594 [2.983]	-1.142 [2.425]	-0.609 [2.618]	0.120 [2.312]
Prop. connect t-1	5.147 [3.795]	4.069 [2.934]	4.004 [3.067]	2.897 [2.804]
Year Effects	Y	N	Y	Y
Region Effects	Y	N	N	N
Year*Region Effects	N	N	N	Y
Municipality F.E.	N	Y	Y	Y
R^2	0.499	0.773	0.795	0.812
Obs.	89164	89164	89164	89164

S.E. clustered at the municipality level.

- ▶ Only birth towns of **external** politicians receive 4-9 additional euros per capita.

Internals are local while externals are national politicians

	External	Internal	Prop.	Ext-int
Female (%)	9.6	7.3	19.4	2.2
Age (years)	50.8	49.8	50.4	1.1**
Years in Parliament	3.2	2.5	3.2	0.7***
Member of govt. % (past)	7.4	5.3	10.9	2.1*
National party member % (past)	26.2	17.4	24.2	8.7***
Province council member % (past)	10.3	13.8	9.4	-3.5**
Mayor % (past)	8.9	18.1	10.5	-9.2***
Obs.	1127	990	704	

Differences between internal and external politicians

Hypothesis: Externals have less experience locally and use transfers to signal their interest to go back as local politician.

- Follow MPs after Parliament (2006-2012) and pin down those who went on serving in their birth town.

Estimation results - with interactions

	Trans. p.c.	Trans. p.c.	Trans. p.c.	Trans. p.c.
Ext. t-1 * posterior exp.	31.43** [15.93]	13.35** [5.433]	14.19** [5.985]	5.843 [4.740]
Int. t-1 * posterior exp.	-6.268 [7.741]	-3.695 [3.851]	-0.458 [4.648]	-0.158 [3.797]
Ext. t-1 * No posterior exp.	8.548** [3.544]	5.191** [2.126]	4.121* [2.196]	3.663* [1.933]
Int. t-1 * No posterior exp.	3.834 [3.080]	-1.172 [2.637]	-1.055 [2.825]	-0.112 [2.509]
Year Effects	Y	N	Y	Y
Region Effects	Y	N	N	N
Year*Region Effects	N	N	N	Y
Municipality F.E.	N	Y	Y	Y
R^2	0.499	0.773	0.795	0.812
Obs.	89164	89164	89164	89164

S.E. clustered at the municipality level.

Conclusions

- ▶ External politicians who later go back as local politicians in the hometown are those sending more money while in Parliament.
- ▶ Post-congressional career is a relevant concern for MPs even during office.