

## RESEARCH STATEMENT

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Citizens' political preferences, beliefs and affiliations are obviously at the center of conflicts in the political arena, where citizens play the role of voters and political candidates. The outcome of these conflicts shapes policies and the distribution of resources across individuals and groups. However, does an individual's political self play a role only in this narrowly defined political arena? Even when individuals operate and interact in settings – in organizations and markets – typically regarded as “apolitical,” their political views and affiliations may affect their choices and behavior. This is the driving motivation of my research agenda.

I am a political economist, working at the intersection with development economics, organizational economics, and economic history. In my work, I study organizations and markets that are traditionally considered apolitical. The goal of my research agenda is to increase our understanding of how individuals' political preferences, beliefs, and affiliations shape the performance of these organizations, the functioning of these markets, and the distribution of resources in society. To provide rigorous empirical evidence on these issues, I use both quasi-experimental and experimental methods, and I leverage a combination of novel administrative datasets and newly collected survey data. Within this broad agenda, I analyze these issues in four domains.

First, I study public sector organizations. A long tradition dating back to Max Weber envisions bureaucracies as organizations composed of competent and motivated workers, who dutifully perform their mission of public goods provision. However, bureaucrats are not only employees of an organization, but also individuals with personal ideologies and partisan affiliations. In my work, I show how this affects the distribution of jobs in the bureaucracy and the way in which bureaucrats perform. In doing so, my papers contribute to our understanding of how to improve the design of bureaucracies, which represent a cornerstone of state capacity.

Second, I study the role of politics in private sector organizations. In particular, my research shows how individuals' political views shape employment outcomes in the private sector labor market, and how they interact with their firm's interests. In doing so, my work contributes to show how political conflicts and polarization may spillover and have real economic effects in a setting like the labor market which is traditionally considered apolitical.

Third, I study the public procurement market in the context of developing countries. Specifically, I investigate how political economy forces influence the allocation of public procurement contracts. The goal of this strand of my agenda is to identify the political economy frictions that prevent an efficient and competitive public procurement process. This represents a key determinant of private

sector development and of the effectiveness of public expenditures in developing countries, with the World Bank considering public procurement “an essential element of the poverty reduction focus.”<sup>1</sup>

Fourth, I study the process of formation of individuals’ preferences. While the other papers in my research agenda take preferences as given, this strand of my research agenda sheds light on the determinants of individuals’ personal preferences, showing how the macroeconomic environment and the level of societal inequality impact the process of preferences formation.

## 1. Bureaucracies

A well-functioning bureaucracy is a key determinant of government performance. As in every organization, effective public sector organizations require employees who are both qualified and motivated to exert effort in the tasks that they are called to perform (Finan, Olken, Pande 2017). A long tradition dating back to Max Weber (Weber 1922) sees the establishment of a modern civil service system as a necessary condition for an effective bureaucracy. In this system, that at least *de jure* is present in virtually all countries in the world, bureaucrats are part of a professionalized, apolitical organization: they are professionals who are motivated to pursue the mission of the organization, they are selected and promoted based on qualifications, and they can acquire expertise throughout a career which is protected from political interference. In short, in a Weberian public organization, the most competent and motivated obtain public jobs, and they perform their work to foster the organizational mission.

However, bureaucrats are not only employees of an organization, but also individuals with personal ideologies and partisan affiliations. How do the political preferences and affiliation of bureaucrats affect their selection and performance within modern civil service systems? This is the central question that I have investigated in [2] and [5].

In **Patronage and Selection in Public Sector Organizations** (*American Economic Review*, 2020) [2] we investigate how the use of discretion in the appointment of public employees is used in modern bureaucracies. In all modern civil service systems, politicians retain some power in the selection process, through the use of temporary contracts, the establishment of job categories exempted from formal selection rules, or the exertion of influence on the outcomes of public examinations (Grindle 2012). Theoretically, this discretion can be used in two ways: it could allow politicians to select individuals who are motivated and qualified for the job, even when these are not easily observed in formal examinations; alternatively, it could be exploited to engage in patronage practices, rewarding supporters rather than the best candidates for the job.<sup>2</sup> Despite ample anecdotal evidence on this phenomenon, lack of data and of a suitable empirical setting has made it difficult to study the extent to which discretion is used as a patronage tool in modern bureaucracies, and its consequences for the selection of public employees.

<sup>1</sup><https://openknowledge.worldbank.org/handle/10986/16673>

<sup>2</sup>Adopting the definition by Weingrod (1968), patronage is a quid pro quo relationship between the party in power and its political supporters in which public jobs are used as a reward and exchanged for political support.

We overcome these challenges in the context of the modern Brazilian public sector. We overcome the data challenge by assembling a novel dataset in which we observe the identity of about 2,000,000 supporters of Brazilian local parties *and* the careers of all municipal public sector employees from 1997 to 2014. This allows us to track the labor market careers of the supporters of Brazilian local parties. In order to isolate a causal link between political connections to the party in power and public sector careers, we use a regression discontinuity design where we compare supporters of the winning party in a municipality to supporters of the losing party in the same, very competitive, municipal election.

Exploiting this quasi-experimental variation and this unique data, we show three sets of results. First, we show that, after an election, individuals who are connected to the party in power are 47 percent more likely to be employed in the public sector. Political connections play a significant role across the entire bureaucratic hierarchy, from the highest managerial positions to the middle tiers of the bureaucracy and to positions as frontline bureaucrats.

Second, we shed light on the possible theoretical mechanisms that could explain this favoritism. We consider three possible mechanisms: *(i)* patronage, with the use of public jobs as a reward for political support; *(ii)* ideological matching, with the party aiming to increase the ideological alignment of the public workforce to its mission; *(iii)* screening, if politicians are better able to select members of their political network based on soft information that are typically difficult to observe. We devise several empirical tests which allow us to find support for, or reject, key theoretical predictions of the various mechanisms. We show that ideological matching and screening are unlikely to be significant drivers of our results, which are instead more consistent with the predictions of a patronage mechanism.

Third, we investigate the selection effects of patronage in public employment. Theoretically, this is unclear. On the one side, political support may substitute for competence in hiring decisions, leading to negative selection effects. On the other side, political support might matter only conditional on a level of competence to perform the job that is similar to the competence of other candidates. We use our data to construct three measures of individual competence, and we show that political supporters of the party in power are negatively selected: across all these measures, competence matter less for political supporters of the party in power than for other potential candidates for the job.

In a second paper (**[Ideology and Performance in Public Organizations, \(Econometrica, forthcoming\)](#)**) [5], we study the role of bureaucrats' ideology in the context of the U.S. federal bureaucracy, investigating the implications of ideological mismatch between bureaucrats and political leaders for bureaucratic performance. While [2] shows that political discretion in public employment decisions leads to worse selection of bureaucrats, [5] shows that the insulation of public sector jobs from political discretion might also be associated with significant costs.

Bureaucracies are textbook examples of mission-oriented organizations – organizations that pursue objectives beyond profit maximization. In these organizations, mission can act as an important intrinsic motivator for employees. In bureaucracies, however, the organizational mission is tightly linked to the party controlling the government, implying that the mission can change from one day

to the next due to political turnover. These sudden changes imply that principals (the political leaders) need to work with some agents (the bureaucrats) whose ideological views are not always aligned with the mission of their department. In this paper, we study how the personnel policies and performance of public organizations are affected by the ideological (mis)alignment between bureaucrats and their political leaders.

We focus on the U.S. federal bureaucracy. By linking personnel records for the near-universe of federal employees in the period 1997-2019 with administrative data on all registered voters in the United States, we can observe the ideological leaning of bureaucrats throughout nearly the entire federal bureaucracy. Thanks to this original data, we can show the presence of significant partisan cycles in the highest layers of the federal bureaucracy, but also the presence of a remarkable degree of political insulation among rank and file civil servants, which comprise about 99% of bureaucrats in the U.S. federal government. We thus paint the picture of a “Weberian” bureaucracy: while the ideological makeup of the highest managerial layer of the organization depends on the party controlling the government, political cycles are absent in the backbone of the organization.

This political insulation of rank and file civil servants that we document implies that a substantial share of bureaucrats will experience a shock to their alignment with the organizational mission every time a new party takes control of the government. The key contribution of our paper is to show the implications of this for bureaucrats’ performance. To do this, we focus on a specific set of bureaucrats – procurement officers – who perform comparable tasks and for whom we can measure performance. We exploit presidential transitions as a source of variation, comparing the performance of procurement officers over time, as they switch from being aligned to being misaligned with the party of the president, and vice versa. This allows us to estimate a negative causal impact of mission misalignment: contracts overseen by a misaligned officer exhibit higher cost overruns, and more complex contracts exhibit greater delays.<sup>3</sup> We provide evidence that the effect that we document is unlikely to be the result of differential assignment of officers to tasks, or of complementarity between effort and ideological alignment in driving career progression. Using data from a large, repeated survey of U.S. bureaucrats, we instead provide evidence consistent with a “morale effect”: bureaucrats are less motivated when they are misaligned with the mission of the organization.

These results represent, to the best of my knowledge, the first empirical evidence on the performance implications of the (mis)match of mission preferences of principals and agents in the context of public organizations. The findings are in line with theoretical predictions in Besley and Ghatak (2005), who argue that “the productivity of the bureaucracy will change endogenously if there is a change in the mission due to the principal being replaced, unless there is immediate rematching. This provides a possible underpinning for the difficulty in reorganizing public sector bureaucracies and a decline in morale during the process of transition” (p. 629).

This body of my work provides direct empirical evidence on both the costs and benefits of insulating bureaucrats’ career from political influence. Importantly, the costs of political insulation in

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<sup>3</sup>Cost overruns and delays are ex post deviations from the initial contract and are standard measures of contract performance in the procurement literature.

terms of mission misalignment studied in [5] should be traded off against the benefits of avoiding political interference studied in [2] and in other recent work.<sup>4</sup>

In ongoing work (**State Capacity as an Organizational Problem. Evidence from the Growth of the U.S. State over 100 Years (Working paper)**) [8], we are studying how the organization of the state evolves over the process of development. Most of the literature on state capacity has focused on the analysis of rulers' incentives to set up a state apparatus. Less attention has been devoted to the natural next step in the process of establishment of state capacity: once rulers have an *incentive* to establish a state apparatus, how do they concretely *organize* it to effectively perform its functions? We stress the relevance of agency problems in determining the growth and evolution of state organizations: how can the ruler ensure that the state agents employed throughout a vast territory do not follow their own personal interests at the expense of the interest of the ruler? How does a government solve this organizational problem?

In this paper, we study this question thanks to a novel dataset on the internal organization of the U.S. federal bureaucracy over the nineteenth century. We digitized more than 15,000 pages of historical documents on the personnel records of the U.S. federal bureaucracy from 1817 to 1905, complemented by a systematic categorization of the structure of the organization (the evolution of its organizational units, such as departments, offices and bureaus) on the basis of the consultation of additional historical sources, and by the geocoding of locations of employment. This unique dataset allows us to investigate the internal organization of a state over an unusually long time-span, and during a period of intense technological and economic development of a nation.

We start by establishing three sets of descriptive facts on the growth and organization of the U.S. federal state. First, there was a slow growth in state capacity until the 1850s, with a rapid growth thereafter, driven mainly by the state reaching more locations. Second, economic growth is positively associated with state presence, but distance from the headquarter (DC) limits state presence. Third, the state organization changes after the 1850s, with a lower reliance on employee turnover, a less tight link between the career of workers and that of their supervisors, and greater delegation of power outside DC.

We offer an interpretation of these descriptive facts in light of principal-agent theory. In the early years of the American Federal state, Presidents and their administration (the principals) had low monitoring capacity in their relationship with federal employees (the agents). The absence of technologies of control made communication and travel across the United States costly, limiting the principals' ability to monitor state agents. In absence of high monitoring ability, principals had to rely on trusted individuals to perform work for the government. Given the limited supply of individuals who could be trusted, this type of organization faced difficulties in growing and in delegating managerial power away from the headquarter, especially in places located further away from DC, and had high turnover rates, as new principals or new supervisors needed to replace old employees with new, trusted ones. As technological innovations lowered communication and monitoring costs throughout the nineteenth century, principals' greater ability to control agents led to the gradual establishment of a modern, bureaucratic organizational form. The lower need

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<sup>4</sup>See also Akhtari et al (2020) and Xu (2018).

to rely on trust to ensure high performance allowed faster organizational growth, made it easier to delegate decision power away from the headquarter, and decreased reliance on employee turnover.

To test this hypothesis, we exploit the staggered expansion of the railroad and telegraph networks across time and space, which decreased monitoring costs between DC and different locations. We show that locations that become better connected to DC experience an increase in state presence, an increase in delegation of power, a decrease in employee turnover, and a decrease in reliance on trust as a way to staff the bureaucracy.

Our results underline how principal-agent relationships are crucial not only to understand the functioning of bureaucracies at a given point in time, but also to explain their growth and organizational evolution over the process of development: changes in a ruler’s ability to monitor state agents affect both the growth potential of a state apparatus and its organizational form. This highlights how different systems for organizing a state, characterized by different degrees of principal’s discretion in personnel decisions, might be optimal at different stages of development.

## 2. Firms and the private sector labor market

While my papers in the previous section study the role of political preferences and affiliations in the context of the public sector, in [Politics at Work \(Working paper, 2022\)](#) [7], we study their role in the private sector labor market. While “no politics at work” has long been a standard policy among corporations around the world, there is a heated debate regarding whether firms consider individual political views when hiring or more broadly when managing their workforce

My coauthors and I study this topic in the context of the Brazilian labor market over the 2002-2019 period, quantifying the relevance of politics as a driver of labor market decisions, and shedding light on the mechanisms behind this phenomenon. We do so thanks to a novel dataset that we construct combining several administrative data sources, which allows us to observe the political affiliation of more than 7 million workers and 1 million business owners throughout the whole Brazilian economy.

In the first part of the analysis, we document a large degree of assortative matching along political lines between employers and their workers: over the period that we study, business owners are 46%-70% more likely to employ workers who share their same partisan affiliation than workers of a different party. Importantly, since assortative criteria are often correlated, we use several estimation strategies to control for workers’ and owners’ characteristics that may be correlated with both political affiliation and employment decisions. Thanks to our ability to observe other demographic characteristics of the individuals in our dataset, we can also show that shared partisan affiliation is a stronger driver of assortative matching between workers and employers than shared gender or race – two characteristics that are commonly considered important drivers of segregation.

In the second part of our analysis, we isolate employers’ political discrimination in hiring as a relevant mechanism behind our findings. We do so in three ways. First, we leverage the richness of our administrative micro-data to conduct a battery of empirical tests that are consistent with key predictions of a discrimination mechanism. Second, we conduct a field experiment akin to a correspondence audit study, which shows that owners rate significantly higher the resumes of

copartisans relative to those of job seekers from opposing political parties. Third, we present results from an original survey of 891 business owners and 1003 workers, which we sampled directly from the administrative data to be representative along several individual and firm dimensions: both business owners and workers believe that employers’ direct preferences for hiring copartisans – rather than workers’ preferences, overlapping political and social networks, or patronage – are the primary drivers of our findings.

We conclude by providing evidence that political discrimination does not only affect the sorting of workers and firms, but has additional real economic consequences. Copartisans are more likely to rise in the organizational hierarchy through promotions, and they enjoy a substantial wage premium, even within the same layer of the organizational hierarchy, despite being less qualified relative to their co-workers. Finally, we show that firms displaying stronger degrees of political assortative matching grow less than comparable firms. While only suggestive, these results are in line with the key theoretical predictions of models of “taste-based” discrimination in the workplace.

In [7], we consider how political preferences affect individuals’ matching to firms. A natural question is how, once an individual is employed, her individual’s ideological views interact with her firm’s interest. A second paper of mine [What Drives Corporate Elites Campaign Contribution Behavior? \(Review of Economics and Statistics, forthcoming\)](#) [6] analyzes how an individual’s ideological views interact with her role within private organizations to shape an important aspect of individuals’ participation in the political process: the decision to contribute to political campaigns. The bulk of the existing literature in economics and political science focus on donations from corporations, showing that they donate in ways that are consistent with an attempt to influence and seek access to relevant legislators.<sup>5</sup> However, the overwhelming majority of campaign donations in the United States – 78 percent of the money raised by 2018 candidates to the U.S. Congress – come from individual donors. The previous literature has typically considered individuals’ contributions as motivated by personal ideological motives, rather than by strategic considerations.<sup>6</sup> However, a large share of U.S. campaign donations come from corporate leaders, who, besides having personal ideological preferences, have also large direct stakes in the policymaking process, and may thus use their donations as a tool of corporate political influence on behalf of their companies. In [6], I provide systematic empirical evidence that this influence-seeking motive plays a significant role in U.S. corporate leaders’ choices of personal campaign donations to U.S. Members of Congress (MCs).

I leverage a novel dataset on the campaign contributions of corporate directors and executives of U.S. corporations over the 2000-2018 period. In order to identify an influence-seeking motive behind individual contribution choices, I use a research design that leverages time variation in a MC’s ability to affect policies of interest to an individual’s corporation. I exploit movements of MCs over time across committees with different policy relevance for the corporate leader’s company, and I test how corporate leaders’ donations respond to these movements. This research design controls for the distance in ideological positions and preferences between individual corporate leaders and

<sup>5</sup>See, *e.g.* Romer and Snyder Jr. (1994), Grimmer and Powell (2016), Fourinaies and Hall (2018).

<sup>6</sup>This is summarized in a review article by Ansolabehere et al. (2003): “people give to politics because of the consumption value associated with politics, rather than because they receive direct private benefits” (p.118).



MCs, allowing me, under some assumptions, to isolate the influence-seeking motive. I find that the probability that corporate leaders donate to a MC increases by 11 percent when the MC becomes relevant to their corporation through their committee assignment. The effect is concentrated among MCs from the majority party in Congress, who have the power to control the bills discussed in the committees. Using these estimates, I calculate that the overall donations by corporate leaders' that are driven by an influence-seeking motive amount to about 53 percent of the overall donations made by their companies' PACs to the same set of legislators over the same period.<sup>7</sup> Thus, my paper directly contributes to addressing the long-standing puzzle on the paucity of money in U.S. politics: in an influential paper, Tullock (1972) asked why, despite the size of the stakes involved, we see relatively little money being spent by corporate PACs in funding elections. My paper shows that corporations have additional, less visible avenues through which they try to get access to and influence policymakers.

### 3. Public procurement markets

While the papers described above separately study public sector organizations and private sector organizations, in two projects currently in the field ([9] and [10]), I study the functioning of the main market in which these organizations interact: the public procurement market. Well-functioning procurement markets are characterized by transparent processes of advertisement of tenders and allocation of contracts. However in many developing countries, relationships between bureaucrats in public organizations and firms lead to the allocation of contracts to well-connected firms and to widespread corruption in the market. This limits competition and represents a primary concern for policymakers. Indeed, increasing firms' participation in the procurement market can represent an important driver of private sector development.

In **Information Frictions in Government-Firm Relationships (Work in progress)** [9], we study information frictions in the procurement market in Uganda. Anecdotal evidence suggests that firms in Uganda, as well as in several developing countries, often face major barriers to access information on available public procurement tenders. This results from the lack of a centralized online system to advertise bid notices, with bid notices published in one of several potential national newspapers (the primary source of information for firms), which makes spotting them difficult, and often in close proximity to the bidding deadlines. This represents a potentially relevant barrier to competition, as business owners face difficulties in learning about interesting contract opportunities.

The presence of this information friction may both be exacerbated from, and facilitate, corruption in the procurement sector. Bureaucrats may actively reduce information available to business owners in order to reduce competition and select firms to which they are connected, and may also find it easier to engage in corrupt practices thanks to the lack of transparency in the market. As a result, information frictions may be especially harmful for small and young firms and entrepreneurs,

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<sup>7</sup>A U.S. corporation is formally prohibited from making expenditures, but it is allowed to sponsor and fund a political action committee (PAC), which may donate directly to politicians' campaigns.



and for firms that lack connections to the government, potentially generating a concentrated market where competition and efficiency may be limited.

In this project, we conduct a nationwide randomized intervention to alleviate information frictions between public entities and firms. We test whether the intervention is effective at decreasing information frictions in the procurement market, and in increasing competition. In the Spring of 2019, we interviewed a sample of about 3,000 business owners that were active, or expressed interest in participating, in the procurement market. We assigned a random half of these firms to a treatment group: for approximately two years (i.e., approximately end of 2019 to end of 2021), firms in the treatment group received a bi-weekly email/sms communication from our research team, with information on available tender opportunities. This information was manually collected by our research team by daily monitoring of all Ugandan newspapers and of different online sources that might publish tenders. In so doing, our intervention approximates the working of a centralized system which allows firms to have full information on available tender opportunities.

Leveraging an endline survey of the business owners in our sample, we will study whether the intervention made firms better informed about public procurement opportunities, and whether it increased participation in public procurement. We will also analyze several survey questions that aim to unpack qualitatively the mechanisms for why firms may or may not have increased participation in procurement, despite a decrease in information frictions.

In a second project (**Do Perceptions of Corruption Kill Competition? (Work in progress)** [10]), we investigate another possible determinant of low competition in the Ugandan public procurement market: business owners' perceptions that the public entities carrying out procurement activities are inefficient and corrupt. If these perceptions are widespread among market participants, governments may find it challenging to increase competition for public procurement. Furthermore, if perceptions spillover across public bodies, perceptions of systemic corruption may negatively affect competition even in those public bodies which manage to achieve high performance standards. This may in turn hinder bureaucrats' incentive to increase the performance of their organization, since efforts to reform a public body may not directly map into better perceptions of it among the public. Our goal is to shed light on the following questions: *(i)* do firms hold accurate perceptions on public bodies' performance and compliance with procurement rules? *(ii)* do these perceptions matter for firms' decisions to participate in procurement? *(iii)* are firms interested in acquiring better information on public bodies' performance and corruption levels? *(iv)* how does providing firms hard information that can improve perceptions of public bodies performance affect their participation in procurement?

We answer these questions with the combination of a lab-in-the-field and a field experiment involving 600 firms active in the procurement market. Specifically, *(i)* we measure firms' perceptions of public bodies, and compare them to newly collected information on public bodies' conduct from procurement audits carried out by the Ugandan government, *(ii)* we experimentally elicit firms' willingness to conduct business with specific public bodies, and investigate how this varies depending on a firm's perceptions of the public body, and *(iii)* we provide access to the information described in *(i)* to a random subset of firms, and analyze how this affects firms' participation in

public procurement.

#### 4. Determinants of individuals' personal preferences

While the papers that I described in the previous section take preferences as given, a strand of my research agenda has the objective of shedding light on the determinants of individuals' personal preferences.

In [Intergenerational Mobility and Preferences for Redistribution \(\*American Economic Review\*, 2018\)](#) [4], we investigate the determinants of individuals' preferences for redistribution, focusing on the role of individual beliefs about intergenerational mobility in shaping these preferences. Our paper builds on the theoretical literature on the link between intergenerational mobility and support for redistributive policies. This literature argues that a society's level of social mobility – either objective or perceived by individuals – will affect the level of voters' support for redistributive policies. The reason is that support for redistribution is not only driven by individuals' current economic conditions, but also by their past experience of mobility, by their prospects of upward mobility, and by the beliefs that merit rather than parental background determines economic success.<sup>8</sup>

My coauthors and I use newly collected survey and experimental data from five countries (France, Italy, Sweden, the U.K., and the U.S.) to provide systematic descriptive evidence on people's perceptions about intergenerational mobility in their country, and to study the causal link between these perceptions and redistributive preferences. We first show that Americans are more optimistic than Europeans about the extent of intergenerational mobility in their country. In addition, when we compare individual beliefs with data on actual levels of intergenerational mobility, we find that Americans' perception are overoptimistic relative to reality, and Europeans' perceptions are overpessimistic.

We then show that survey respondents who are more pessimistic about mobility are also more supportive of redistributive policies, especially “equality of opportunity policies” (education or health policies). However, this relationship is present only among left-wing respondents, which suggests a polarization in individuals' views about the ability and the fairness of government intervention in increasing intergenerational mobility. In order to provide evidence that these patterns are causal, we embed an “information experiment” within the survey, with the goal of exogenously shifting perceptions of mobility for a subset of the respondents. This experimental evidence confirms our findings, providing what is, to the best of my knowledge, the first causal evidence linking individuals' perceptions of intergenerational mobility and preferences for redistribution.

While [4] focuses on the preferences for redistribution of the general public, in [Economic Recessions and Congressional Preferences for Redistribution \(\*Review of Economics and Statistics\*, forthcoming\)](#) [1]), we study the determinants of politicians' personal preferences for

<sup>8</sup>See Piketty (1995) and Benabou and Ok (2001).

redistributive policies. Recent empirical evidence shows that citizens are more supportive of redistribution if they experienced an economic recession during early adulthood – and in particular during the 18 to 25 age range, a period of life that social psychologists refer to as the “impressionable years period,” when individuals’ core values and political beliefs are formed.<sup>9</sup> But does this mechanism of preferences formation work in a similar way for voters and for the political elites? In this paper, we study whether U.S. Members of Congress who experienced an economic recession during their early adulthood vote differently on redistribution-specific bills.

We collect biographical information on all Members of the U.S. Congress born after 1911, which allows us to measure the macroeconomic environment in the locations where they spent their “impressionable years”, together with their voting record in Congress. We show that politicians who experienced a recession hold more *conservative* positions on redistribution relative to other politicians in the same Congress. This is true even when restricting the comparison to members of the same party, and it does not apply to votes unrelated to redistribution, suggesting that experiencing a recession during one’s impressionable years only affected politicians’ position on redistributive issues, without being associated with a more general ideological shift.

Our results suggest that recessions experienced during early adulthood lead future U.S. politicians to change their preferences for redistribution, making them less supportive of redistributive policies. When coupled with existing evidence that voters become *more* supportive of redistribution following a recession, our findings point to macroeconomic shocks having a polarizing effect, with the creation of an ideological wedge between voters and their future representatives. We hypothesize that this wedge might be explained by politicians’ more privileged background. The individuals in our sample are more likely than the average citizen to come from a more affluent background, and this may lead them to respond differently to a recession experience. This can be rationalized by several theoretical arguments, such as differential belief updating and different personal experiences of a recession depending on an individual’s socio-economic background. We provide some suggestive evidence consistent with this hypothesis, by showing that the effect that we document is stronger among Members of Congress who came from more elite backgrounds.

While in [1] and [4] I study the determinants of preferences for redistribution, in **The Long-Term Effect of Demographic Shocks on the Evolution of Gender Roles: Evidence from the Trans-Atlantic Slave Trade** (*Journal of the European Economic Association*, 2019) [3] I study the origins of individuals’ views about gender roles in the labor market. I show that demographic shocks that affect a society’s sex ratio can have an impact on a society’s gender norms that persists in the very long run.

To show this, I exploit a historical shock – the transatlantic slave trade – that created a female-biased sex ratio in the African population between the fifteenth and the nineteenth century, as male slaves shipped from Africa vastly outnumbered female slaves. Given the shortage of males, historical evidence suggests that, during those centuries, women had to take up traditional male activities. Using contemporary data on more than 500,000 women across 21 Sub-Saharan countries, I show that women whose ancestors were more exposed to this shock are today – centuries after

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<sup>9</sup>See Giuliano and Spilimbergo (2014).

the sex ratio has converged back to a natural level – still significantly more likely to be in the labor force. Consistent with a higher cost of having children for working women, they have lower levels of fertility today. I also show evidence consistent with this long-run persistence being driven by a cultural transmission channel, with internal norms transmitted across generations and in the marriage market.

My findings show that demographic shocks that increase women’s participation in the labor market may persistently change attitudes about gender roles. This hypothesis had been investigated in the context of the United States during World War II, when, given the high mobilization rate of men, female labor force participation increased. In my paper, I show how the effects of demographic shocks to sex ratios can persist in the very long run, and I shed lights on the mechanisms behind this long run persistence.

**Papers:**

- [1] “Economic Recessions and Congressional Preferences for Redistribution” (with Maria Carreri) forthcoming at the *Review of Economics and Statistics*
- [2] “Patronage and Selection in Public Sector Organizations” (with Emanuele Colonnelli and Mounu Prem) *American Economic Review*, 2020, 110(10), 3071-99.
- [3] “The Long-Term Effect of Demographic Shocks on the Evolution of Gender Roles: Evidence from the Trans-Atlantic Slave Trade” *Journal of the European Economic Association*, 2019, 17(2), 497-534.
- [4] “Intergenerational Mobility and Preferences for Redistribution” (with Alberto Alesina and Stefanie Stantcheva) *American Economic Review*, 2018, 108(2), 521-554.
- [5] “Ideology and Performance in Public Organizations” (with Jorg Spenkuch and Guo Xu) forthcoming at *Econometrica*
- [6] “What Drives Corporate Elites’ Campaign Contribution Behavior?” forthcoming at the *Review of Economics and Statistics*
- [7] “Politics At Work” (with Emanuele Colonnelli and Valdemar Pinho Neto)
- [8] “State Capacity as an Organizational Problem. Evidence from the Growth of the U.S. State over 100 Years ” (with Nicola Mastrorocco)
- [9] “Information Frictions in Government-Firm Relationships” (with Emanuele Colonnelli and Francesco Loiacono)
- [10] “Do Perceptions of Corruption Kill Competition?” (with Emanuele Colonnelli and Francesco Loiacono)

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