

Household-Based Clientelism: Brokers' Allocation of Temporary Public Works Programs in Argentina

Lucas Ronconi¹  · Rodrigo Zarazaga¹

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Abstract

This paper argues that political brokers pay particular attention to household size, and the age distribution of its members, when allocating scarce indivisible social benefits. Because people usually share their income with other household members, allocating a social benefit to an individual member of a household with n voters is likely to bring more political support than allocating the same benefit to an individual member of a household with $n-1$ voters. Based on the main Argentine household survey and on personal interviews with 120 brokers, this paper shows that brokers effectively collect information on family size and age composition and allocate scarce temporary public works programs to families with more voters, unintentionally discriminating against families with children not old enough to vote.

Keywords Clientelism · Household · Discrimination · Social policy · Latin America · Argentina

JEL Codes H53 · I38 · D78

Introduction

The literature on political clientelism argues that material benefits are distributed according to the individual characteristics of the client, such as ideology, reciprocity, or party affiliation.¹ But, an exclusive focus on the direct beneficiary implicitly assumes

¹Clientelism is usually defined as the personal and discretionary allocation of resources to individuals in exchange for their political support (e.g., vote buying, turnout buying, abstention buying, and double persuasion). It is the discretionary and conditional way in which goods and services are allocated what makes an exchange clientelistic rather than what is distributed. See Gans-Morse et al. (2014) for a formal model explaining diverse clientelistic strategies.

✉ Lucas Ronconi
lucas.ronconi@cias.org.ar

¹ Centro de Investigación y Acción Social (CIAS) & CONICET, Av Callao 542, C1022AAS Buenos Aires, Argentina

that the material benefit that a client receives does not have any influence on the economic wellbeing and voting behavior of other members of the household. However, substantial research in economics and political science shows that people share their income with other household members, and that they have influence on their voting behavior.² By overlooking clients' household characteristics, the previous literature glazes over an important consideration for politicians in the allocation of social benefits. This paper, on the contrary, argues that politicians (and their brokers) pay particular attention to household characteristics because, *ceteris paribus*, giving a good worth \$100 to an individual member of a household with n voters is likely to bring more political support than giving the same amount to an individual member of a household with $n-1$ voters. To the best of our knowledge, this paper is the first that points out that the household is the appropriate unit of analysis to understand the clientelistic deal. That is, we emphasize the logic of buying multiple votes with one good, particularly when the good is indivisible.

Beyond purely academic interest, and by focusing on households rather than just on individuals, we reveal a policy distortion introduced by clientelism that has not received the attention it deserves. A clientelistic distribution of social policies usually results in unintentional discrimination against households with children for the simple reason that children are not old enough to vote. When politicians have discretionary power to select beneficiaries, they tend to target households with more voters. This is because politicians seek political support and consider that less could be gained from selecting families with children not legally eligible to vote. For example, politicians prefer to allocate a temporary public works program to a head of household with two children 18 years or more (i.e., who can vote), rather than giving the benefit to a head of household with identical characteristics except that the two children are below 18 years of age (i.e., who cannot vote). Such a strategy, however, is quite detrimental because, by excluding non-voters, typically children from whom politicians have little to obtain, clientelism unintentionally discriminates against vulnerable households thwarting a fundamental goal of social policy.³

Politicians usually resort to brokers to target poor households. A crucial role for brokers is to collect information about individual voters so that these voters can be targeted most efficiently with the resources available. Deeply immersed in poor areas, brokers are politicians' sources of highly detailed information about voters. For example, brokers from the Daley machine in Chicago, the Institutional Revolutionary Party (*Partido Revolucionario Institucional*, PRI) in Mexico and the Nationalist Party (*Kuomintang*, KMT) in Taiwan visit every corner of their districts collecting information about voters' households to target them with private goods.⁴ Examining the case of Argentina, where the Peronist Party (*Partido Justicialista*, PJ) enjoys large networks of

² Seminal research on the economics of intra-household resource allocation includes Becker (1964) and on parental political socialization Jennings and Niemi (1968).

³ Two aspects of this claim deserve some discussion. First, as with any normative assessment, it could be criticized pointing out that it is based on a particular theory of justice. However, the fact that governments around the world declare that a key objective of social policy is to target vulnerable families indicates that it is a popular normative assessment. Second, there is no unique definition of vulnerability. It is usually understood that a household is more vulnerable the lower the level of income per capita, the higher the volatility of income, and the higher the dependency ratio. Therefore, *ceteris paribus*, households with more children (i.e., higher dependency ratio) are more vulnerable.

⁴ See Magaloni (2006), Rakove (1975), and Wang and Kurzman (2007).

brokers, this paper shows that a key piece of information that brokers collect is the number of members able to vote per household.⁵ This information allows brokers to maximize their budget by allocating resources to those households with more members qualified to vote.

We provide empirical evidence using data obtained from both brokers and the population. First, based on 120 in-depth interviews with brokers, we find that brokers collect detailed information about their clients including the number of voters per household. Some brokers admit during the interviews that—when allocating social benefits—they target households with more voting members as a strategy to maximize votes. Second, drawing on the main Argentine household survey (*Encuesta Permanente de Hogares*, EPH), we show that the allocation of temporary public works programs is biased towards individuals who are part of households with more members that are at least 18 years old (that is, with more members that are legally eligible to vote), while the most vulnerable families tend to be excluded. Furthermore, we prove that this relationship reverses when access to temporary public works programs is universal and politicians and brokers do not have a gatekeeper power to prevent families from receiving the social benefit.

The combination of data gathered from the demand and supply side of clientelistic deals, along with the use of quantitative and qualitative methods, is particularly suitable for this study. On the one hand, the econometric analysis of the EPH allows estimating the distribution of social policies across individual and household characteristics. On the other hand, interviews with brokers reveal the information they collect and their motivations for doing so, thus elucidating the processes and mechanisms underlying the econometric results.

Brokers, Information, and Clientelism

The literature on clientelism shows that party machines target voters according to their individual characteristics. It has been argued that voters are targeted depending on their individual ideological or partisan preferences,⁶ their linkage to party machines,⁷ and their willingness to reciprocate a favor.⁸ By focusing only on the individual level, previous studies assume that politicians seek to affect the party choice of only the particular client to whom they are discretionally offering social benefits.⁹ However, evidence from the literature suggests that people share their income and resources with other members of their households (Becker 1964). It

⁵ The Peronist Party is a working and lower class party founded by Juan D. Perón in 1947. While its origins are linked to the emergence of working classes, it shifted during the Presidency of Carlos Menem (1989–1999) from seeking the support of the lower classes through unions to courting their support with clientelistic appeals (Levitsky 2003). Since re-democratization in 1983, the PJ has won 5 out of 8 Presidential elections and has always controlled most Provincial and Municipal executives.

⁶ Lindbeck and Weibull (1987), Nichter (2008), Stokes (2005), and Zarazaga (2016).

⁷ Cox and McCubbins (1986), and Dixit and Londregan (1996).

⁸ Finan and Schechter (2012), and Lawson and Greene (2014).

⁹ Schaffer and Baker (2015) constitute an exception. They argue and provide evidence from Mexico that brokers target citizens who are opinion-leading epicenters in informal conversation networks. Therefore, the political effect of a single handout can be magnified via the conversion of multiple voters.

stands to reason, therefore, that clientelism should affect the party choice of other members of the client's household as well as the client himself. In this paper, we contribute to the literature by showing that brokers consider household composition in the distribution of social benefits.

It is well-established that politicians use brokers to gather information about voters and target them efficiently. For example, Wang and Kurzman (2007: 64) describe brokers of the Taiwanese Kuomintang Party as “walking encyclopedia of local knowledge.” Magaloni (2006: 81) explains that in Mexico, PRI-affiliated local politicians “employ dense organizational networks in order to acquire knowledge about voters’ loyalties and to target benefits”. Finan and Schechter (2012) show that in Paraguay, brokers use their information to target with goods those voters who are more likely to reciprocate. In many US cities, in the mid last century, network of brokers accomplished the same tasks. Rakove (1975: 4), an expert on Daley’s machine in Chicago, notes that “every man has his price, according to the machine, and the major problems are to find out what that price is and whether it is worth paying.” While the literature emphasizes the efforts made by brokers to collect information about individual characteristics of the client that are not easily observable (i.e., his/her level of reciprocity, shadow price, ideology), we argue that brokers also pay particular attention to household characteristics that are more easily observed such as family size and age composition. Social benefits are allocated to families with more voting members in order to maximize the electoral returns of social policies. By highlighting this phenomenon, the paper reveals a pernicious effect of clientelism that has been relatively ignored.

The literature has pointed out the negative effects of clientelism.¹⁰ For example, Stokes (2011: 604) affirms that “[political clientelism] slows economic development by discouraging governments from providing public goods and by creating an interest in the ongoing poverty and dependency of constituents. It vitiates democracy by undermining the equality of the ballot, allowing some voters to use their votes to communicate policy preferences while others use their votes only as an exchange for minor side payments.” Recent scholarship has pointed out the political manipulation of poverty alleviation programs in Argentina. It has been shown that programs are allocated to the poor with the objective of gaining electoral support, placating political protestations, favoring legislatively overrepresented provinces, as well as allied governors and mayors, and mobilizing people for rallies.¹¹ While we agree that clientelism implies the political manipulation of the poor, we stress another negative and relatively ignored consequence of clientelism: it unintentionally discriminates against families with children that are below the voting age. Scholars tend to highlight the negative political implications for those clients involved in clientelistic deals; this paper, instead, shows the negative implication of clientelism as it deprives poor people of their right to access social policies. Rather than highlighting what it does to people who are clients, it points out how it dispossesses those who are not.

¹⁰ Keefer and Vlaicu (2007), Kitschelt and Wilkinson (2007), Fisman and Golden (2017), O’Donnell (1992), Piattoni (2001), and Schaffer (2007).

¹¹ Garay (2007), Giraudy (2007), Lodola (2005), Ronconi (2009), Ronconi and Franceschelli (2007), Szwarzberg (2012).

Interviews with Brokers

We conducted a total of 120 in-depth interviews with brokers who operate in four municipalities of greater Buenos Aires (i.e., La Matanza, Malvinas Argentinas, Merlo, and San Miguel). Greater Buenos Aires is composed of 33 municipalities surrounding the capital city and concentrates 27% of the national electorate in only 0.1% of the national territory. By any standard poverty measurement, this area shows poorer rates than the rest of the country. The four municipalities we study lie near the median of greater Buenos Aires in socioeconomic rates and possess the important characteristics of this area, which consists predominantly of poor industrial suburbs populated by working classes and unemployed people.¹²

Given its size and concentration of poor population, greater Buenos Aires is crucial for winning elections and therefore a main area where politicians seek votes with clientelistic strategies.¹³ Since re-democratization in 1983, the PJ has won 229 out of 280 (82%) elections for Mayor in the region. The PJ machine has its stronghold in greater Buenos Aires where it has the most developed network of brokers permeating most of the poorest areas.¹⁴ The interviews were conducted between 2009 and 2010, and almost 95% of the interviewed brokers work for the PJ (112 out of 120).

The sample of brokers was selected based on both personal contacts and using the snowball technique asking people in poor neighborhoods of these four municipalities if they knew any broker and if they could provide their names. Each broker was interviewed for an average of 2 h.

Brokers are the key source of information for their political bosses. Locally embedded, they access almost every poor area in greater Buenos Aires. Of the interviewed brokers, 92% live in the same neighborhood where they carry out their political activities. They are in permanent touch with their neighbors' needs. Brokers report that being close to the voters, knowing their problems, and being available 24 h per day were crucial components of their job. Stokes et al. (2013) survey approximately 800 brokers and report very similar answers. They argue that not only in Argentina, but also in Venezuela, the social embeddedness of brokers and the information that comes with it, make brokers valuable for parties. Recipients of social benefits are not only broker's clients but in most cases are also their neighbors.

It is this everyday presence that allows brokers to get precise information and deliver goods and services with surgical precision to their clients. We learnt from the interviews that each broker, on average, helps 85 people frequently, and 95% of brokers report knowing exactly where all of their clients live. Being a broker is a job that usually lasts a lifetime. The average broker is 48 years old and has held his position for 19 years. The relatively low levels of relocation in low-income neighborhoods in Argentina¹⁵

¹² For example, according to the 2010 census, 48% of households have a personal computer in greater Buenos Aires, while the figures for the studied municipalities are 42% in La Matanza, 44% in Malvinas, 39% in Merlo, and 50% in San Miguel. La Matanza, with 834,000 voters has by itself a bigger electorate than 17 of the 24 Argentine provinces. Each of the other three municipalities in this study (Merlo 326,000, Malvinas Argentinas 203,000, and San Miguel 186,000 voters) has electorates equal or bigger than provinces like Formosa, Tierra del Fuego, and Santa Cruz.

¹³ Ollier (2010), and Stokes et al. (2013).

¹⁴ Auyero (2001), Brusco et al. (2004), Calvo and Murillo (2013), and Zarazaga (2014).

¹⁵ According to the EPH, only 3.5% of the poor population changed neighborhood during the last 5 years.

and the long tenure of brokers help them know the characteristics and preferences of clients: 84% of brokers report discussing politics with the people they help at least two times per year; 98% of brokers know the exact household size of all the people they help, 74% know the exact names of the family members; and particularly important for this study, 89% report knowing the number of household members that are 18 years old or more (that is, how many are legally eligible to vote).¹⁶ Similarly, and denoting the importance of having information about the clients' households, Stokes et al. (2013: 100) report that they "...were struck by the familiarity of brokers with their constituents. We interviewed brokers who could rattle off the names, telephone numbers, family characteristics, work situations, and health status of their voters, from memory."

The interviews suggest that information about voters is fundamental, and that brokers use it to allocate resources strategically to try to secure the greatest possible number of voters. Brokers also explicitly recognize that it is good strategy to target families with more voters. The following three quotes from brokers are illustrative: "I can get the same amount of votes as any other party representative but with half the resources, because I know which families have more members and what they need;" "[Material benefits] are not given to those who needed the most, but to those who have more people to support you. I target women with children aged 18 years or more;" "Brokers target families with more members, because the mother would tell their children 'go and vote for him because from there we get money to eat.'"

In summary, the interviews show that brokers operating in a large metropolitan area have detailed information not only about individuals' needs and preferences, but also about their family composition and their ages. They are much more complex actors than usually portrayed, targeting their clients according to the precise information they gather and with the political goal of obtaining the maximum political return in votes. One strategy to achieve this objective is to allocate resources to families with more voting members.

The Allocation of Temporary Public Works Programs

This section exploits the discontinuity produced by voting age legislation to test the hypothesis that brokers target individuals who are part of families with more voting members. In Argentina, citizens must be at least 18 years old in order to be legally eligible to vote. If brokers select beneficiaries with the objective of buying votes and have information about the size and age structure of each family, then, *ceteris paribus*, they should target individuals who are part of families with more members that are at least 18 years old ("Vote buying hypothesis"). The contrary should occur if the objective is to provide support to vulnerable families, because, *ceteris paribus*, families with a higher dependency rate, that is more members that are below 18 years old per adult, have fewer means to produce their own income ("Benevolent social planner hypothesis"). We focus on the allocation of temporary public works program because

¹⁶ The figures are based on what brokers report in the interview. We did not systematically collect information on voters to test the accuracy of brokers' reports. Schneider (2016) finds that brokers have little ability to identify the partisan preferences of non-core voters in rural India. We claim that brokers have fine-grained information about household size and age composition (two easily observable characteristics) in urban Argentina.

this is the only scarce social benefit (i.e., that is in excess demand) that is observable in the available datasets.

Argentina Trabaja is the main temporary public works (hereafter workfare) program that exists in Argentina and was launched in October 2009. According to the letter of the law, the national government allocates funds, both across jurisdictions and individuals, using a formula aimed at fulfilling the following objectives: “promote economic development and social inclusion, generate new genuine jobs with equality of opportunities, based on communitarian work, and foster the formation of workers’ social organizations.”¹⁷ Participants should be unemployed and members of a vulnerable family. They receive a monthly transfer of 1200 pesos per month (approximately 250 USD) in exchange for taking training courses and working in public works projects for 40 h a week. The number of participants supposedly increased over time from 100,000 in early 2010 to 250,000 in 2012, although it is difficult to know with precision because the government provides incomplete and inconsistent information. Zarazaga (2013) shows that the timing and actual distribution of funds across jurisdictions follows a political agenda rather than the stated criteria.¹⁸

The design of *Argentina Trabaja* implied an excess demand (i.e., a situation where the number of applicants far exceeds the number of beneficiaries). In 2009, while the government set the number of beneficiaries of *Argentina Trabaja* at 100,000, there were 750,000 low-skilled unemployed workers and more than 5 million workers earning less than 1200 pesos per month. Such an excess of demand is crucial for politicians and their brokers because it allows them to select who receives the benefits. As we show below, politicians and their brokers have effectively used this discretionary power to select into the program individuals who are part of families with more voters.

We use the main Argentine household survey (EPH) to analyze the distribution of workfare benefits across individuals in 2010, 2011, and 2012. The EPH is a stratified random sample conducted by the National Institute of Statistics (INDEC) and covers 32 urban agglomerates distributed all over the country that represent 70% of the urban population and 63% of the total population. Importantly, people report in the EPH whether they are participating in a workfare program as well as other characteristics of the household, such as income, number of members, and their ages.¹⁹ We pool all the years together and find that a total of 997 individuals between 18 and 65 years old report participating in a workfare program in the EPH. Table 1 compares the socio-economic and demographic characteristics of beneficiaries and non-beneficiaries:

Beneficiaries are significantly poorer: the average per capita income of beneficiaries is less than 40% that of non-beneficiaries. They are more likely to live in shantytowns and in houses with dirt floors, without running water, sewerage, or town gas. Beneficiaries also have fewer years of schooling on average, are more likely to be female and younger, and less likely to be married, foreign-born, and newly arrived to the neighborhood.

Workfare programs are not only targeted towards low-income people but also towards individuals who are part of households with more voters. In Fig. 1, we restrict the sample to poor people (i.e., people in the three lowest deciles of the income per capita distribution

¹⁷ See <http://www.desarrollosocial.gob.ar/argentinatrabaja/>.

¹⁸ The program was launched in October 2009 and the majority of funds have been allocated to some municipalities located in greater Buenos Aires. Coincidentally, this is an area where the PJ usually wins elections, but suffered a defeat in the legislative elections of June 2009.

¹⁹ The EPH is available at www.indec.gob.ar.

Table 1 Descriptive statistics of beneficiaries and non-beneficiaries of workfare programs (e.g., *Plan Argentina Trabaja*), 2010–12

Variable	Beneficiaries	Non-beneficiaries	Difference
Sex (% female)	55.13	51.73	3.40***
Age	35.55	37.85	- 2.30***
Married (%)	22.01	34.31	- 12.30***
Newly arrived to neighborhood (%)	0.45	4.12	- 3.66***
Born in a different province (%)	14.90	15.99	- 1.09
Foreign born (%)	3.87	6.09	- 2.22***
Years of schooling	9.27	11.45	- 2.19***
Per capita income (pesos/month)	677.44	1789.32	- 1111.88***
Resides in shantytown (%)	4.12	1.21	2.91***
Dwelling with dirtfloors (%)	2.25	0.61	1.64***
Running water (%)	80.53	88.57	- 8.04**
Sewerage (%)	38.95	63.58	- 24.63***
Town gas (%)	35.76	68.96	- 33.20***
Observations	997	173,747	

Income from participation is excluded. An individual is categorized as newly arrived if 5 years ago she resided in a different neighborhood. The sample is restricted to individuals between 18 and 65 years old. Family members of participants are excluded from the analysis. *** Statistically significant at the 1%, ** 5% level

and that lack access to at least three of five basic dwelling amenities).²⁰ We observe that poor individuals who receive workfare benefits reside on households that have, on average, 3.11 voters, while poor individuals that do not receive workfare benefits reside on households that have 2.45 voters. Individuals that receive workfare, however, reside in households where the dependency rate (i.e., the number of minors per adult) is lower than in households without workfare.

This evidence is consistent with the idea that brokers target poor individuals who are part of families with more voting members rather than focusing on poor families with high dependency. But, there are two main challenges to confront before making any strong conclusion. First, what if brokers allocate temporary public works benefits to poor households with many voters and few children because there is another social benefit targeted at poor household with children?²¹ Second, the illustrative evidence presented so far only controls for income but it does not take into account other factors that could be driving the relationship.

The first concern is particularly relevant because during late 2009, at about the same time the *Argentina Trabaja* workfare plan was implemented, the government also introduced a CCT program known as *AUH* or “Universal Family Allowances.” *AUH* is targeted at poor children 17 years of age or younger. The benefit is a cash transfer to the mother or father, of approximately u\$25 per month per children, in exchange for sending children to school and/or complying with vaccines and medical controls. The program is universal. Every person who applies, and qualifies, automatically receives the benefit.

²⁰ Which are running water, sewerage, town gas, without dirt floors, and not located in a shantytown.

²¹ See Kramon and Posner (2013).

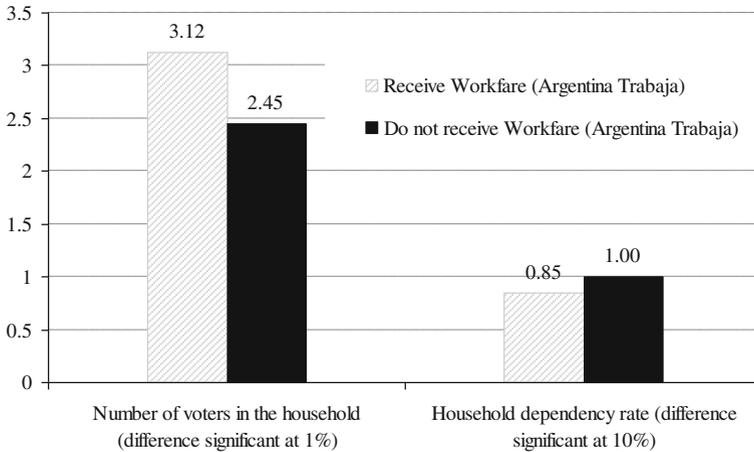


Fig. 1 Number of voters in the household and dependency rate among people who receive and who do not receive workfare, when benefits are scarce (*Plan Argentina Trabaja* 2010–12). The sample is restricted to poor people (defined as those in the three lowest deciles of the per capita income distribution that lack at least three out of five basic services: sewerage, running water, town gas, not located in a shantytown, not dirt floors)

That is, political brokers have no control over the allocation of *AUH* benefits. Therefore, a skeptical reader could argue that brokers in Argentina do not care about votes; they are benevolent social planners that allocate workfare benefits *Argentina Trabaja* to individuals who reside in households with few children below 18 years of age because those families already receive the programmatic *AUH*. This is a serious concern; therefore, it is important to empirically explore whether this alternative interpretation is true or not. First, is *Argentina Trabaja* effectively distributed to individuals who live in households without *AUH*? Moreover, if we compare two identical head of households (e.g., both receive *AUH*, or none receives *AUH*), do we observe that the head of household receiving workfare resides in a family with more voters?

First, while 21% of people receiving workfare are members of a household that receives *AUH*, the figure is only 7% among people who do not receive workfare. That is, it is simply not true that workfare is allocated to those who do not receive *AUH*. Second, and more importantly, we do observe that brokers allocate workfare benefits to individuals who are members of households with more voters, and that positive relationship holds both when the comparison is among people who do receive *AUH*, and when it is among people who do not receive *AUH*. More precisely, among individuals who receive *AUH*, those who also receive workfare have a household with 3.32 voters while those who do not receive workfare have a household with 3.05 voters. Among individuals who do not receive *AUH*, those who receive workfare have a household with 3.33 voters while those who do not receive workfare have a household with 2.88 voters (see Fig. 2). In both cases, the difference is statistically significant.

The above illustrative evidence, however, does not control for other omitted factors that could be driving the relationship. Therefore, we test the following model:

$$Workfare_i = \beta Voters_i + \delta Non-voters_i + \theta Income_i + \lambda AUH_i + \alpha X_i + \varepsilon_i, \quad (1)$$

where *Workfare_i* is equal to 1 if individual *i* receives a temporary public works program and 0 otherwise; *Voters* is the total number of members of the family of individual *i* that

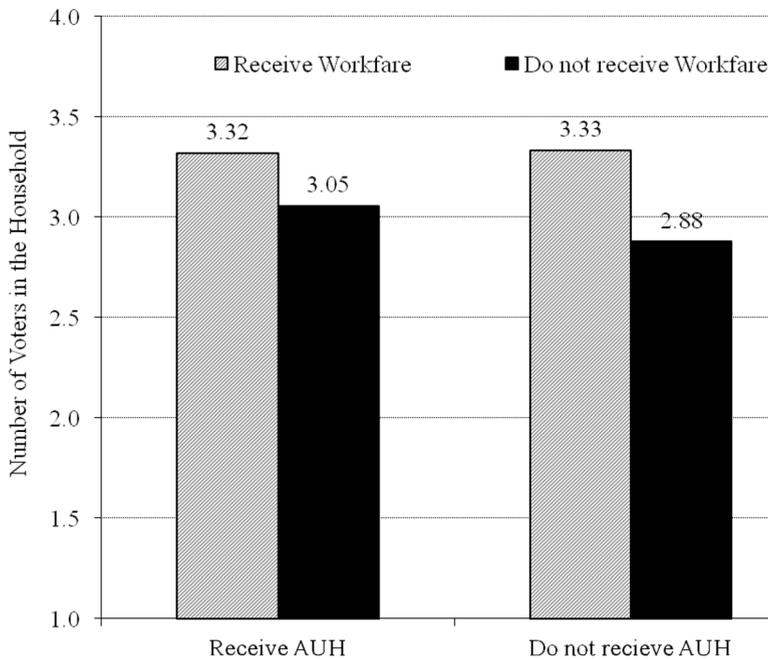


Fig. 2 Number of voters in the household by access to workfare and the CCT program *Universal Family Allowance (AUH)*, 2010–12

are 18 years old or more (i.e., that are legally eligible to vote); *Non-voters* is the total number of members of the family of individual i that are 17 years old or less (i.e., that are not legally eligible to vote); *Income* is the total family income, *AUH* is an indicator equal to 1 if someone in the family receives the benefit and 0 otherwise,²² and X is a vector of other demographic and socioeconomic characteristics of the individual (i.e., age, age squared, gender, marital status, years of schooling, foreign-born, born in a different province, newly arrived to the neighborhood) and the dwelling (i.e., whether it has dirt floors, located in a shantytown, and access to running water, sewerage, and town gas). We estimate eq. (1) with a probit model and report elasticities.

We begin without including any control (column 1 Table 2). People with more family members that are legally eligible to vote are more likely to receive a temporary public works program and the coefficient is statistically significant at the 1% level. In column (2), we add the number of non-voters in the family, some basic demographic controls (i.e., sex, age, age squared, marital status, total family income), and access to

²² The EPH survey does not directly ask about access to the *AUH*. But, there is information that allows building a reasonable proxy. First, the head of household reports in the survey whether she/he receives subsidies or aid in money from the government or from civil and religious organizations. Second, she/he reports the amount of money received last month. Because we know the number of children under 18 years of age in the household, we can estimate whether the subsidy received refers to the *AUH* or not. For example, until October 2010, the *AUH* monthly benefit was pesos 144 per month for each child under the age of 18. Therefore, if a household with two children under the age of 18 reports receiving pesos 288 on subsidies, it can be assumed that it receives *AUH*. That is how we create the variable *AUH*, which adopts a value equal to one if the amount of money reported is between 10% below or above the expected amount given the number of children 17 years or less in the household; and 0 otherwise.

Table 2 The allocation of temporary public works in excess demand across individual and household characteristics, 2010 to 2012

Variable	(1)	(2)	(3)	(4)	(5)	(6)
Voters	0.61*** (0.12)	1.13*** (0.14)	1.05*** (0.14)	1.05*** (0.14)	1.34*** (0.21)	1.21** (0.53)
Non-voters	–	0.07 (0.05)	0.03 (0.05)	– 0.02 (0.05)	0.02 (0.07)	– 0.09 (0.25)
Family income, age, age sq., female, married, AUH	No	Yes	Yes	Yes	Yes	Yes
Schooling, born other province, foreign born, newly arrived	No	No	Yes	Yes	Yes	Yes
Shantytown, dirt floors, sewerage, town gas, running water	No	No	No	Yes	Yes	Yes
Sample	All	All	All	All	Head of house- hold	HH with children 17 and 18 years old

Table reports elasticities $dy/dx \cdot x/y$ (evaluated at the mean of the covariates) obtained using a probit model. The DV is an indicator equal to 1 if the individual receives a temporary public works program (e.g., *Argentina Trabaja*) and 0 otherwise. Sample is for the years 2010 to 2012. The variable *Voters* is the number of family members of each individual who are aged 18 years or more (i.e., legally eligible to vote); while *Non-voters* is the number of family members of each individual who are aged 17 years or less (i.e., not legally eligible to vote). Robust standard errors are in parentheses. *** Significant at the 1%, and ** 5% level

the CCT universal family allowance *AUH* indicator. The coefficient remains positive and statistically significant. We obtain similar results after adding additional demographic and socioeconomic controls (columns 3 and 4).

While having an additional voter in the family significantly increases the probability of receiving workfare from a broker (elasticity close to one), having an additional non-voter in the family does not (and in some specifications the effect is actually negative although always statistically insignificant). That is, brokers appear to pay attention not only to the size of the family of the potential client, but also to the age composition. Overall, the magnitude of the results indicates that the probability of receiving workfare for an individual who is member of a poor family comprised of two adults and two children below age 18 (that is, a total of two voters) is only half compared to the probability of receiving workfare for an individual who is identical (along the observed covariates) with the exception of having their children aged 18 years or more (that is, a total of four voters in the family).²³

As a robustness check, we run the specification with the full set of controls for two alternative samples.²⁴ First, we restrict the sample to heads of household (column 5). Second, we restrict the sample to heads of household with children aged 17 to 18 years

²³ The coefficients for the other variables usually have the expected sign: Poorer people, with fewer years of schooling, and who have not recently move into the neighborhood, are more likely to receive a temporary public works program.

²⁴ We also run the model for each of six Argentine geographic regions separately, and find that in all regions temporary public works programs are more likely to be allocated to individuals who are members of families with more voting members (that is, the variable *Voters* is positive and statistically significant in all regions, while *Non-voters* is always insignificant). Results available upon request to the authors.

(column 6). For politicians and their brokers, there is a key difference (in the very short run) between a head of household with a child 17 years old relative to a head of household with a child 18 years old. Giving a benefit to the latter is likely to bring one additional vote. The results are more imprecise, but they do show that the coefficient of interest remains positive and statistically significant. A head of household with a son/daughter just above the voting age is more likely to receive a temporary public job compared to a head of household with a son/daughter just below the voting age, holding everything else constant.

The evidence supports the claim that clientelism, unintentionally, produces discrimination against families with children below voting age. In the regression model, such as for example column 5 in Table 2, we are comparing heads of household who are identical in a large number of observable socioeconomic traits (education, age, income, etc.), who have a family of identical size, but who differ in the age of household's members. The results indicate that a head of household with more voting age members is more likely to receive workfare than a head of household with fewer voters; this could be interpreted as unintentional discrimination against families with children.

Summing up, we find that the actual allocation of temporary public works programs thwarts the fundamental objective of social inclusion. Some vulnerable families (e.g., those with many children and few voters) are less likely to receive support. We interpret this result as evidence of the "Vote-Buying Hypothesis," which is to say that the primary objective of the politicians in charge of allocating social benefits is to maximize their electoral return; because children do not vote, unintentionally, their families are discriminated against.

Falsification Test

So far, we have exclusively analyzed the years 2010 to 2012, a period in which the government implemented a temporary public works program (i.e., *Argentina Trabaja*) that was scarce, that is, in excess of demand to participate. Interestingly, there was a previous period in Argentina in which access to temporary public works was universal. During 2001–2002, the country suffered a severe economic and political crisis. The government froze bank accounts and ceased all debt payments; GDP dropped by 15% and unemployment and poverty reached a historical maximum at 21% and 54% respectively. Riots and violent protests were common; President De La Rúa resigned, and the office was occupied successively by five different presidents in less than 2 weeks. As a response, the new government implemented in 2002 the *Jefes y Jefas de Hogar Desocupados (JJHD)* temporary public works program, and by 2003, there were approximately three million individuals receiving benefits, more than 10% of the adult population. Because the situation was extremely severe, the government had little option but to make the temporary public works program universal. Every head of household in a poverty situation had access to the benefit.²⁵

²⁵ People who met the eligibility conditions, and registered between April and May 2002, automatically entered into the program. From this perspective, *JJHD* was universal. However, some people who met the eligibility conditions missed the registration deadline. They applied late, and only some of them were admitted. Iturriza et al. (2011) suggest that those who applied late and did not enter the program represent 15% of program participants. From this other perspective, *JJHD* was quasi-universal.

It should be noted that the two temporary public works programs (i.e., *Argentina Trabaja* and *JJHD*) were very similar in some aspects. Both were target to poor and not-employed adults, both provided a monthly monetary transfer, and both required participants to work in public works projects (such as cleaning a street). But, a crucial difference is that *Argentina Trabaja* program set a higher monthly transfer (250 US dollars per month compared to 40 dollars in *JJHD*) and fixed the number of direct beneficiaries to two hundred thousand while access to *JJHD* was universal.

We analyze below the characteristics of *JJHD* beneficiaries and use it as a falsification test of our main hypothesis. Because access was universal and politicians and their brokers did not have discretion to select who enters and who does not, we expect that *Jefes y Jefas de Hogar Desocupados* benefits were effectively allocated to members of the most vulnerable families, that is, low-income families with a high dependency ratio.

Figure 3 replicates Fig. 1, and Table 3 replicates the same models as in Table 2 but using as a sample the EPH for the years 2003 and 2004. Contrary to the results in Fig. 1, beneficiaries of the universal *JJHD* workfare program reside in households with less voters and a higher dependency rate (i.e., more minors per adult) than non-beneficiaries.

Similarly, in Table 3, the variable *Voters* is negative and, importantly, the variable *Non-voters* is positive and statistically significant. That is, when access to temporary public works is universal, members of families with more children below 18 years old, and with fewer voters, are more likely to receive benefits. As shown in the previous section, the contrary occurs when politicians and their brokers have discretionary power to select who enters into the program. That is, clientelism unintentionally discriminates against families with children.

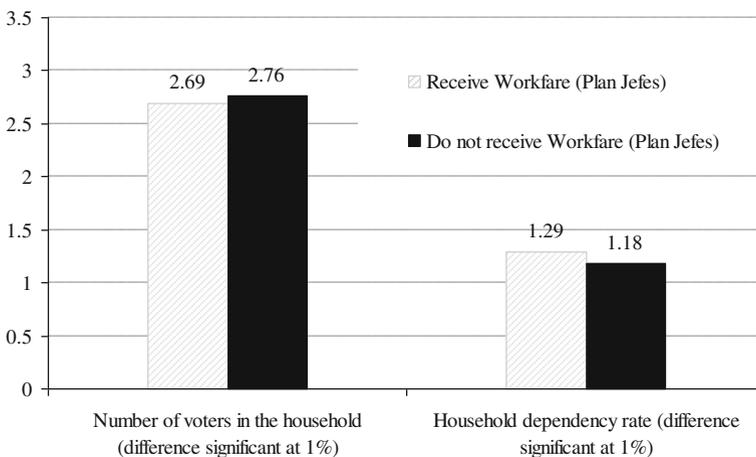


Fig. 3 Number of voters in the household and dependency rate among people who receive and who do not receive workfare, when access is quasi universal (*Plan Jefes de Hogar* 2003–04). The sample is restricted to poor people (defined as those in the three lowest deciles of the per capita income distribution that lack at least three out of five basic services: sewerage, running water, town gas, not located in a shantytown, not dirt floors)

Table 3 The allocation of a universal temporary public works across individual and household characteristics, 2003–2004

Variable	(1)	(2)	(3)	(4)
Voters	– 0.18*** (0.06)	– 0.27*** (0.10)	– 0.33*** (0.10)	– 0.20** (0.10)
Non-voters	–	0.38*** (0.03)	0.32*** (0.03)	0.27*** (0.03)
Family income, age, age sq., female, married	No	Yes	Yes	Yes
Schooling, born other province, foreign born, newly arrived	No	No	Yes	Yes
Shantytown, dirt floors, sewerage, town gas, running water	No	No	No	Yes

Table reports elasticities $dy/dx \cdot x/y$ (evaluated at the mean of the covariates) obtained using a probit model. The DV is an indicator equal to 1 if the individual receives the universal temporary public works program *Jefes y Jefas de Hogar Desocupado* and 0 otherwise. Sample is for the years 2003 and 2004. The variable *Voters* is the number of family members of each individual who are legally eligible to vote (i.e., 18 years of age or more), while *Non-voters* is the number of family members of each individual who are aged 17 years or less (i.e., not legally eligible to vote). Robust standard errors are in parentheses. *** Significant at the 1%, and ** 5% level

Conclusion

This paper attempts to make one contribution to the literature. We argue that the appropriate unit of analysis to understand the clientelistic deal is the household rather than the individual voter. Brokers select their clients not only based on the individual characteristics of the voter (e.g., ideology, reciprocity, etc.) as argued in the previous literature, but also depending on the characteristics of the voter's family. Beneficiaries of social policies share the benefits with other members of their household, thus influencing their voting behavior. Politicians who seek to win elections are aware of this and allocate benefits accordingly, favoring those families that have more members of voting age. Buying multiple votes with a single good is a particularly convenient strategy when the good that brokers distribute is indivisible.

Focusing on household's characteristics of clients and non-clients allows discovering a relatively ignored distortion produced by clientelism. Some vulnerable households (that is, those with many children a few adults) tend to be excluded from access to social benefits simply because it is politically more profitable to target families with more voting members. This is an important unintentional negative consequence of clientelism because it perverts a fundamental objective of social policy. We provide empirical evidence combining qualitative and quantitative methods that exploit the discontinuity produced by voting age legislation in Argentina. Based on in-depth interviews with brokers, we find that they collect detailed information about household characteristics, including the size and age structure of the family. Based on household survey data, we show that individuals who are part of families with fewer voters and higher dependency are less likely to receive social programs that are in excess demand, but the relationship reverses when access to the program is universal.

This paper opens avenues for future research. The results are consistent with the idea that politicians in Argentina allocate social benefits with an eye towards maximizing short-term electoral goals. We speculate that this could be due to the low levels of

institutionalization of social policy and state bureaucratization. It would be interesting to test whether or not countries where social policy is more institutionalized and state bureaucracy more developed discriminate against households with children. Comparative analysis in this direction will greatly contribute to the topic. Second, the main hypotheses of this paper (i.e., that the correct unit of analysis to understand the clientelistic deal is the household, not the individual) could be further explored. This paper focuses on family size and age composition, but brokers could also take into account other characteristics of the family of the client such as their level of reciprocity and party affiliations. Moreover, we expect that brokers avoid distributing benefits to individuals who do not share the benefit with other family members. Because women and men tend to behave differently on this matter, a gender dimension could be added to the literature on clientelism.

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Lucas Ronconi Ronconi is professor of economics at the Universidad de Buenos Aires. His research mainly focuses on labor market institutions in less developed countries.

Rodrigo Zarazaga Zarazaga is a professor of political science, and his research mainly focuses on political clientelism.