

## The RD-design and politician competence

I am reading “Unequal Democracies” (2023), a recommended book synthesizing research on political inequality in representation, voice, and outcomes.

Chapter 7 by Marta Curto-Grau and Aina Gallego focuses on the effect of descriptive representation of the educated in politics. Specifically, it looks at Spanish municipalities, where they seek to elicit the effect of electing a higher-educated mayor. There are two main questions of interest, which are 1) Do higher-educated mayors have different policy preferences, and 2) Do higher-educated mayors govern better?

Why is education interesting? One argument for electing better-educated politicians is that they are more skillful in the art of governance. Studying economics should help you run a budget. Naturally, the effect of education on governance competence is mediated by education type, as being an economist might not help you run schools, but being an educated teacher would. Curto-Grau and Gallego treat education continuously and do not differentiate between types of education in favor of statistical power. This seems like a fair approach. But what is important to have in mind here is that education is not actually what we are interested in when measuring it, but the assumed competence that is assumed to be associated with gaining more formal education.

The other reason why education may be interesting, which is particularly pertinent to the theme of the book, is that the educated may have certain policy preferences, because of their background. They may not share the same affinity with the poor as politicians from poorer backgrounds, and this effect could work on both sides of the political aisle. So when we are discussing whether it is good or bad to have highly educated politicians, we are balancing between a consideration of competence and policy preferences. If it is the case that the educated are more competent, but do not have distinct preferences, then it is normatively less problematic that people with longer educations are overrepresented. If there are no differences in competence, but policy preferences are distinct, then there could be a normative problem. Before the normative case can be made, however, empirical evidence is needed.

This is what Curto-Grau and Gallego attempt with their Regression-Discontinuity Design, where they exploit close mayoral elections to elicit the effect of a certain characteristic - here education - on governance. The identification strategy relies on the assumption that losing or winning narrowly is somewhat random, as there is a lot of noise. This assumption is normally

internally valid, but the mechanism was not wholly intuitive for me while reading the paper. Something strange happens when we condition on a characteristic such as education, which is a proxy for competence, to then assume that the politicians around the threshold are comparable. My very simple mental model was, that if education is correlated with competence, and competence is correlated with electoral ability, then we are looking at the politicians with high education, who are under-performing, and the politicians with less education, who are over-performing.

As any thought one has, if it comes to you quickly, it has already been written. Published in 2022 "*Can Close Election Regression Discontinuity Designs Identify Effects of Winning Politician Characteristics?*", John Marshall outlines formally what problems can arise when applying the RD-design to politician characteristics in close elections. The intuition is more or less what I outline above, namely that some compensating differentials are affecting the forcing variable. The as-if random assumption becomes much stronger when conditioning on a bundled treatment, and the internal validity is weaker.

In the case of Curto-Grau and Gallego's study of mayoral elections, they find an effect on policy preferences, but no effect on governance competence. Thinking about the identification problems, then it becomes more complicated to posit that the candidates we are looking at with the RD design are comparable. If we are selecting the more competent politicians with less education and vice versa, then it follows that we should see little effect on governance competence. Likewise, it does make sense that policy preferences are different if education-level is bundled with lower affinity with the poor, as this bias is not sorting politicians on ideology to the same obvious extent. Therefore, it becomes harder to use this study to inform us of a possible trade-off between competence and preferences, as we have a bias on competence. That being said, I recommend reading the book and the chapter presenting the findings, and this just highlights the intricacies of credible identification.