

Economics
Seminar
Series
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SOUTH ASIAN UNIVERSITY
FACULTY OF ECONOMICS

Seminar

***Do Criminally Accused Politicians Affect
Economic Outcomes? Evidence from India***

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Date: August 12, 2016
(Friday)

Time: 2:30 p.m.

Venue: FSI Hall, Akbar Bhawan
Satya Marg, Chanakyapuri, New Delhi

All are Welcome

Abstract

We study the causal impact of electing criminally accused politicians to state legislative assemblies in India on the subsequent economic performance of their constituencies. Using data on the criminal background of candidates running for state assembly elections and a constituency-level measure of economic activity proxied by intensity of night-time lights, we employ a regression discontinuity design that controls for unobserved heterogeneity across constituencies and 22-percentage point lower economic activity arising from the election of a criminally accused politician. These effects are driven by serious, financial and the number of criminal charges and appear to be concentrated in the less developed and more corrupt Indian states. Similar findings emerge for the provision of public goods using data on India's major rural roads construction program.

JEL Classification: D72, D73, O40, O12

Keywords: Criminal Accusations, Politicians, Night-time Lights, Regression Discontinuity, India