

Mafia, Elections and Violence against Politicians

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Motivation

- Political Violence carried on by organized crime is a salient issue in several countries (especially developing countries)
 - 100 mayors killed by drug cartels in Mexico in the last decade
 - In 2002, the FARC murdered 5 politicians and led the resignation of 222 out of 463 mayors in Colombia
 - In Italy, 134 politicians were killed from 1974 to 2014
- Very limited literature on this topic (see next)

Literature

- Dal Bó and Di Tella (2003) JPE; Dal Bó, Dal Bó, and Di Tella (2006) APSR: theoretical models predicting that criminal organizations can use threats to influence politicians while in office; Dell (2015) AER: empirical evidence from Mexico

→ Attacks after elections

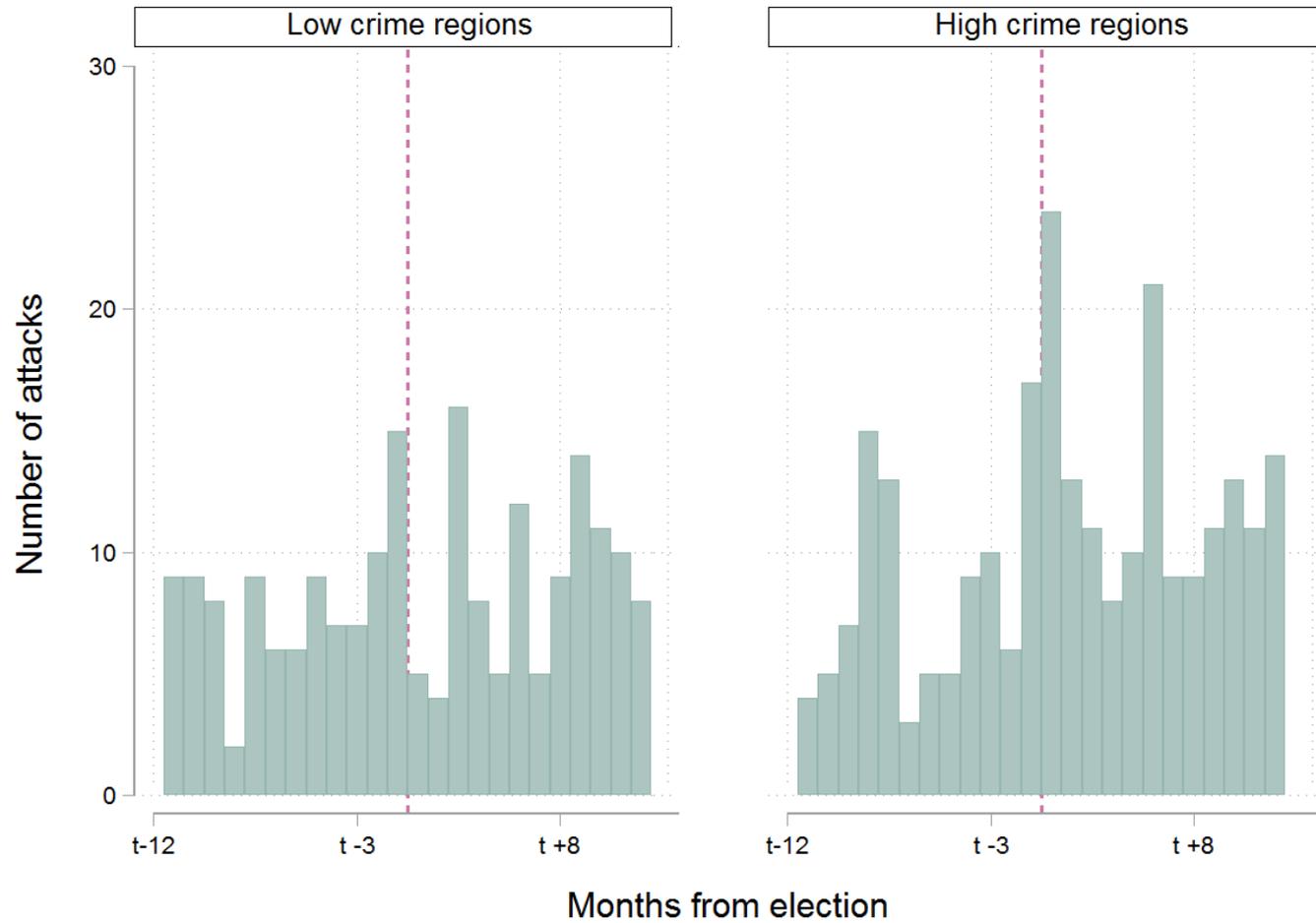
- Pinotti, 2012; Sberna and Olivieri, 2014; Alesina, Piccolo, and Pinotti, 2016: Organized crime use violence to alter the electoral outcomes and influence the political selection

→ Attacks before elections

Motivation

- This paper
 - Empirical test of previous theories (i.e. attacks before/after elections) based on attacks against local politicians in Italy (2010-2014)
 - Main differences compared to previous studies:
 - Causal inferences (and some evidence of the mechanisms)
 - Data on attacks against politicians instead of general measures of violence (e.g. homicide rate) as previous studies

Motivation



Contribution

Literature on Crime & Politics

- Acemoglu, Robinson, and Santos (2013) JEEA
- De Feo and De Luca (2017) AEJ
- Daniele and Geys (2015) EJ, Daniele (2016)
- Barone and Narciso (2011)

- Related to literature on lobbies: peak of lobbying in the electoral period (Baron, 1994 APSR, Besley and Coate, 2001 RES).

Hypothesis

1. Organized crime attacks before elections, to minimize the adverse selection of politicians
2. Organized crime attacks after elections, to minimize the moral hazard from politicians
 - Corollary: more attacks when the incumbent is new (new agents with whom to negotiate); Similar to Hodler and Rohner (2012) for terrorist groups

NOTE:

- Other periods might be suitable for attacks but those are context specific
- We do not consider other types of influence (e.g. vote buying)

Background

Italian cities

- Italy is divided into 20 regions, 110 provinces 9 and about 8,000 municipalities
- Municipal governments:
 - basic civil functions (keeping the Registry)
 - managing and providing social services, transport, welfare and public works
 - mostly focused on local management facilities such as building permits, and concessions of leases for water, sewage and waste management

Mafia & local politics

According to Lo Moro et al. (2015) organized crime targets municipalities:

- to obtain contracts for waste management and other public procurements
- requests for employment for the city hall, housing, welfare subsidies
- municipalities competencies: prevention and control of money-laundering; racket in local commercial activities and are responsible for the management of the assets confiscated from the Mafia

Local Elections

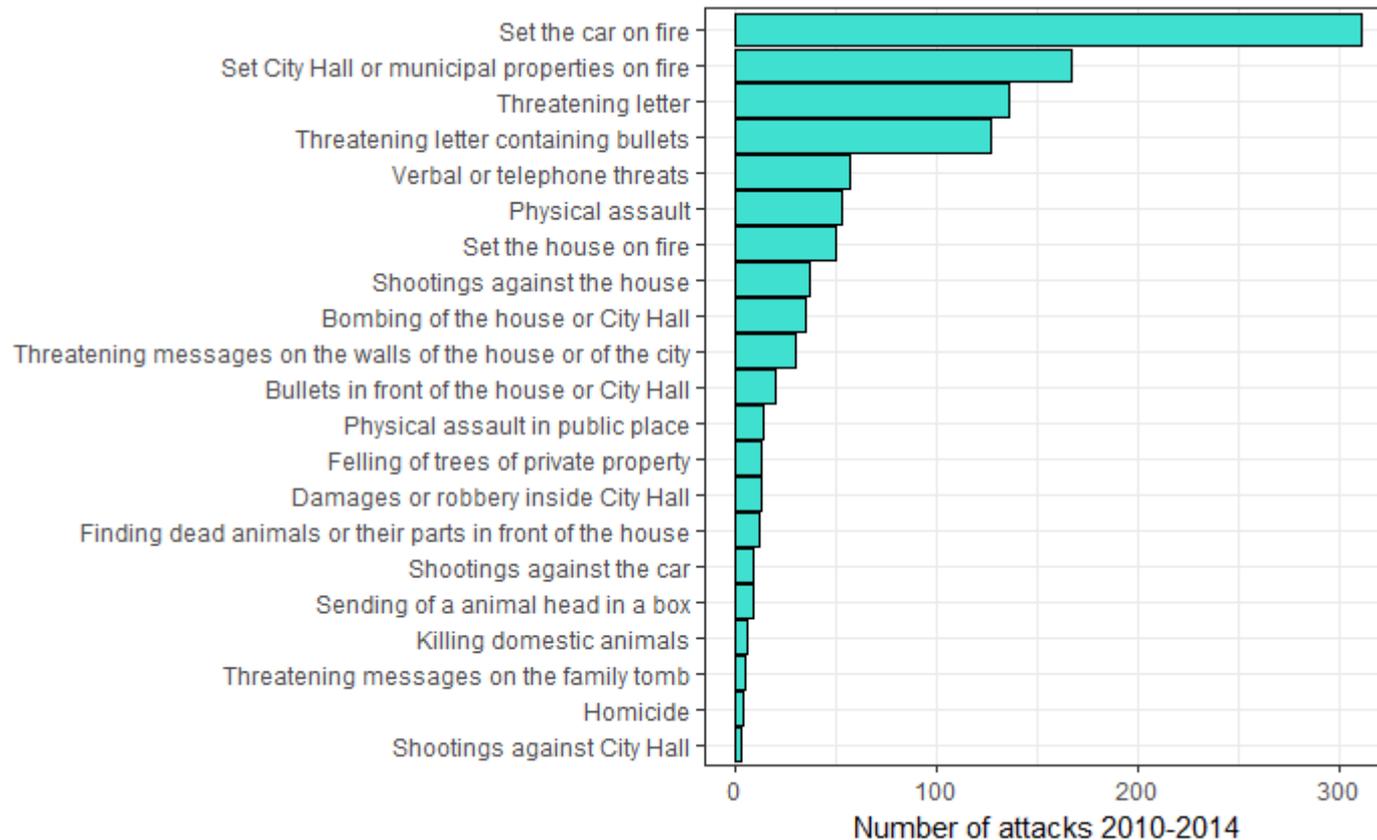
- The mayor and the council are elected every 5 years
 - The mayor is directly elected
 - Most important appointments take place in the next 45 days after the election
 - Mayors have a two-term limit
- We collect data on local elections in the period 2010-2014

Descriptive Evidence

Data

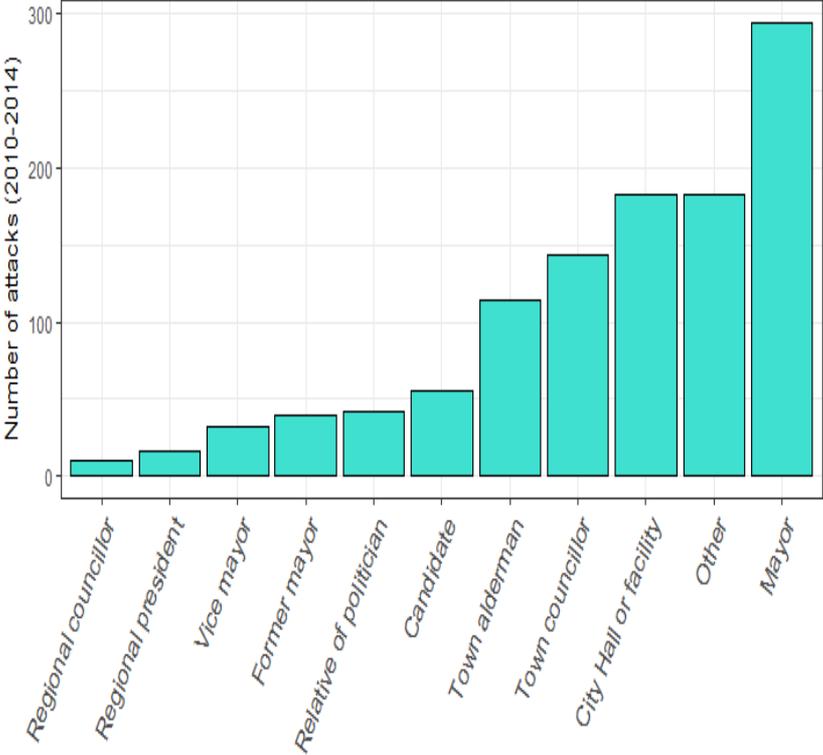
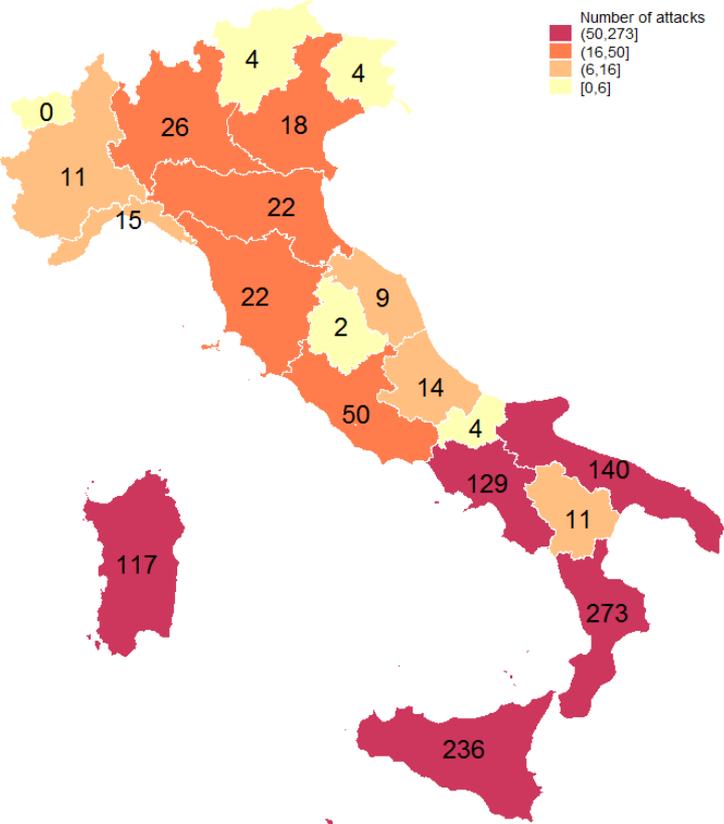
- 4 yearly reports published by Avviso Pubblico, an Italian NGO
 - Daily collection of local news and primary sources on threats and attacks directed at Italian local politicians from 2010 on
- Highly qualified NGO working with the Italian Parliament on this issue
- From 2010 to 2014 there were, on average, 277 attacks per year

Different types of violence



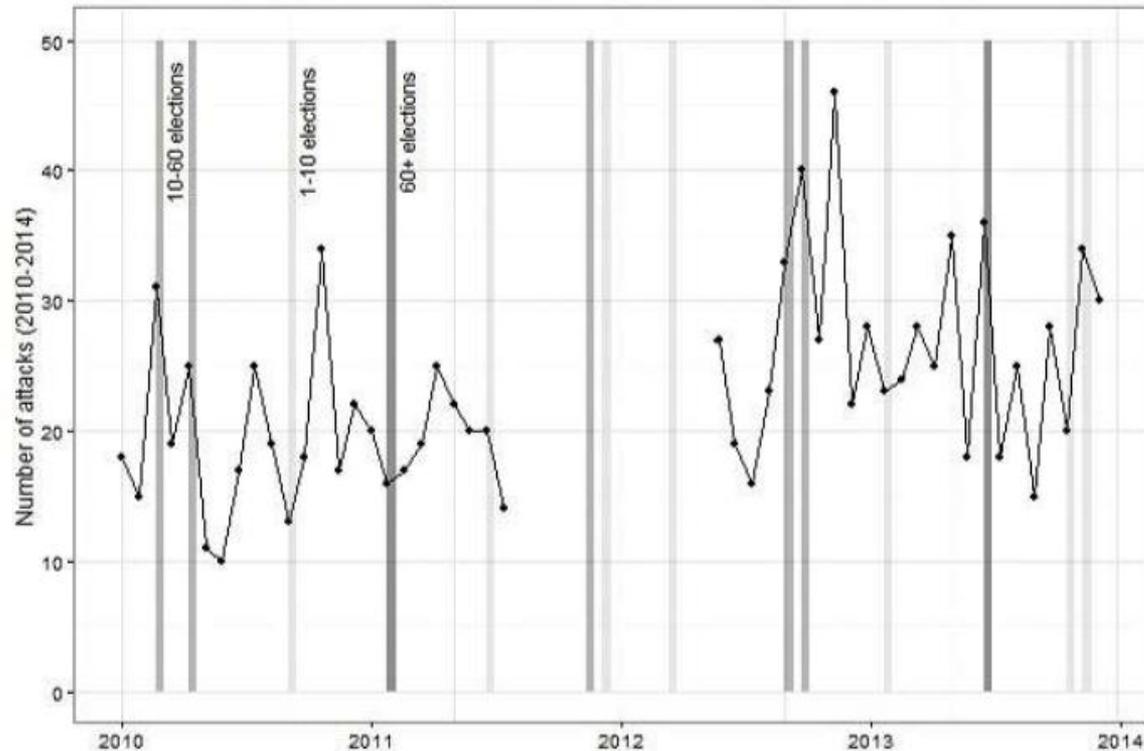
Note: Attacks by category as defined in the report by Avviso Pubblico. The total number of attacks in the period of observation is 1,111.

Geography / Type of Politician



Timing: election period?

Figure 4: Timeline of attacks and elections, 2010–2014



Note: The figure shows the trend of attacks in relation to election periods. The dots indicate the number of attacks in each month and the vertical lines the occurrence of elections. Darker shades of grey indicate that more elections take place during that period (in order of darkness: 60 or more; 10–60; 10 or less).

Empirical Strategy

Data Limitations

- Measurement error in the dependent variable: not all attacks from organized crime
 1. If the attacks are random no peak in the electoral period
 2. If the attacks are random no (or small) differences between high/low mafia areas
 3. Lo Moro et. al show that only 8% are due to personal motives

Data Limitations

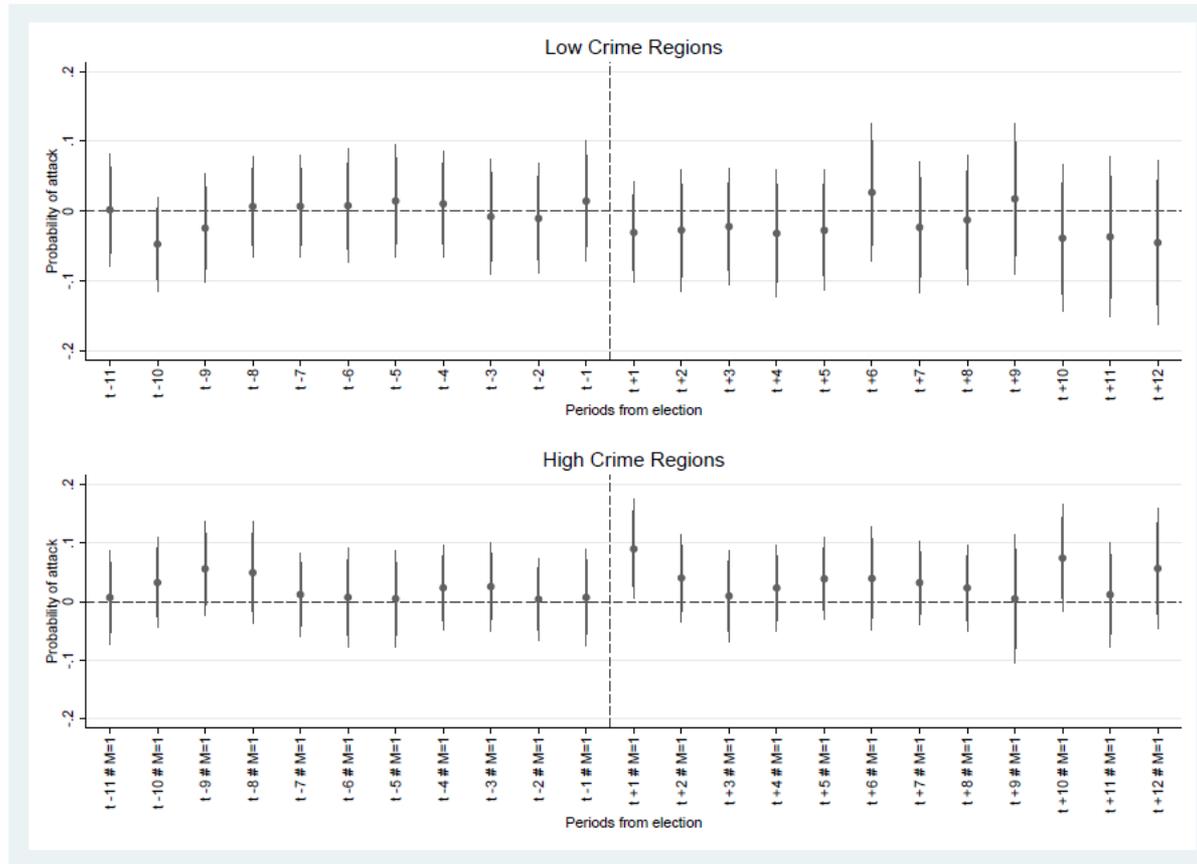
- Selection Bias: under-reporting by politicians and/or Media
 1. Local Media under-reporting is unlikely as those are rare events in a city
 2. Our results are unchanged when considering only “visible” attacks, which cannot be not-reported
 - Arsons and damages against the city hall, shooting at politicians’ houses or cars, bombings, arson of a politician house or car, physical aggression in a public place

Identification Strategy

$$Y_{it} = \alpha + \sum_{t=-n}^{+n} \beta_{it} X_{it} + \sum_{t=-n}^{+n} \gamma_{it} X_{it} * Mafia_i \\ + \theta_i + \sum_{m=1}^{12} 1\{Month = m\} + \sum_{z=2010}^{2014} 1\{Year = z\} + \epsilon_{it}$$

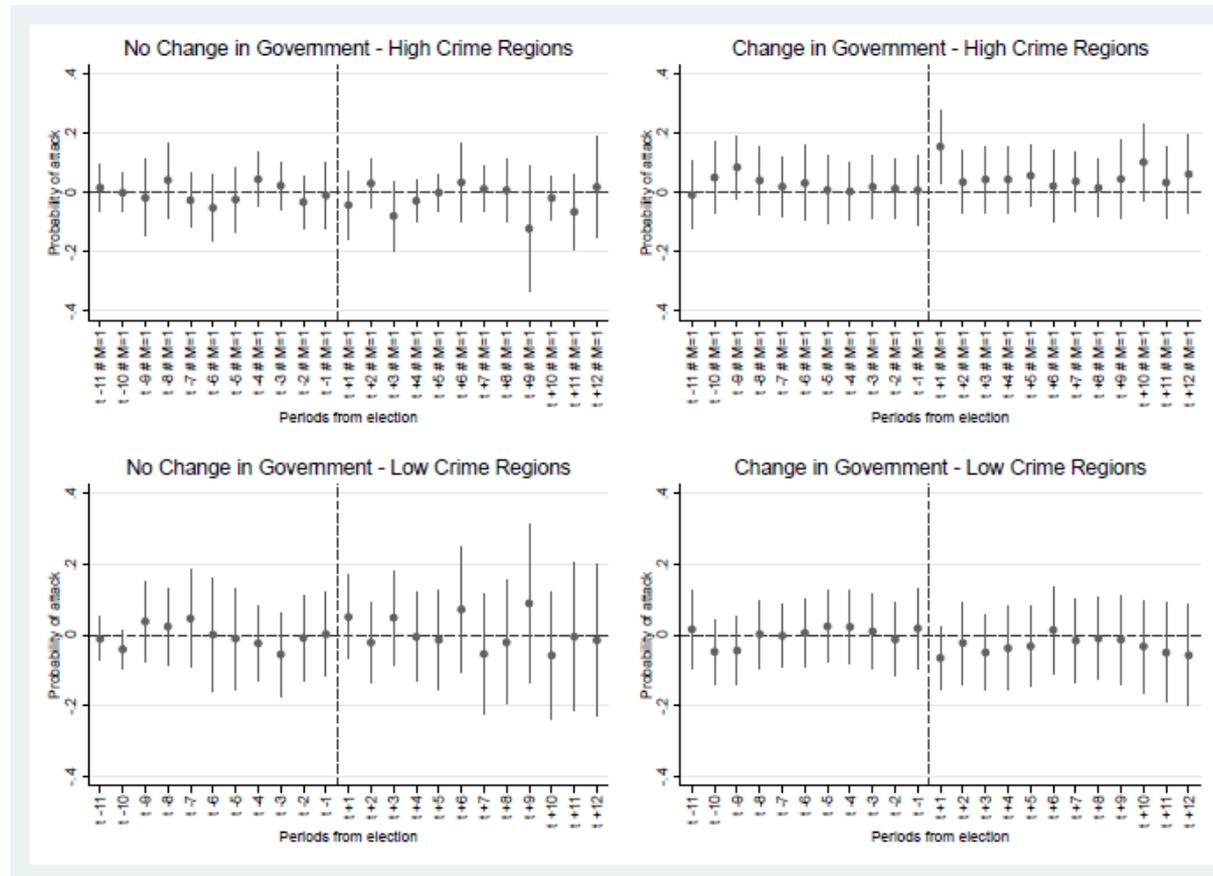
- $Y=1$ (otherwise 0) if there is an attack; i = city, t = 30-day-period of all cities with at least 1 attack before/after 12 months from a local election (N attacks = 421)
- → methodological improvement compared to previous studies (Akhmedov and Zhuravskaya, 2004; Brender and Drazen, 2005; Shi and Svensson, 2006; Sauquet (2015))
- Mafia=1 for regions with high mafia presence (Calabria, Sicilia and Campania)
- We include city, month and year fixed effects (SE at the city level)

Figure 5: Probability of being a target of violence



Note: The figure shows plotted coefficients from panel estimates where the dependent variable is a dummy equal to 1 (0 otherwise) if there is at least one attack in city i in period t . We consider 30-day periods from -12 to +12 (12 months before and after the elections). Each variable is a dummy equal to 1 in the respective period. *High(Low) Organized Crime* (here referred to as M) is a dummy equal to 1 only for regions with high(low) criminal organization involvement in politics. The base category is the period -12 to election. The lines report 5% confidence intervals.

Figure 6: Probability of being a target of violence, cities with and without change in government

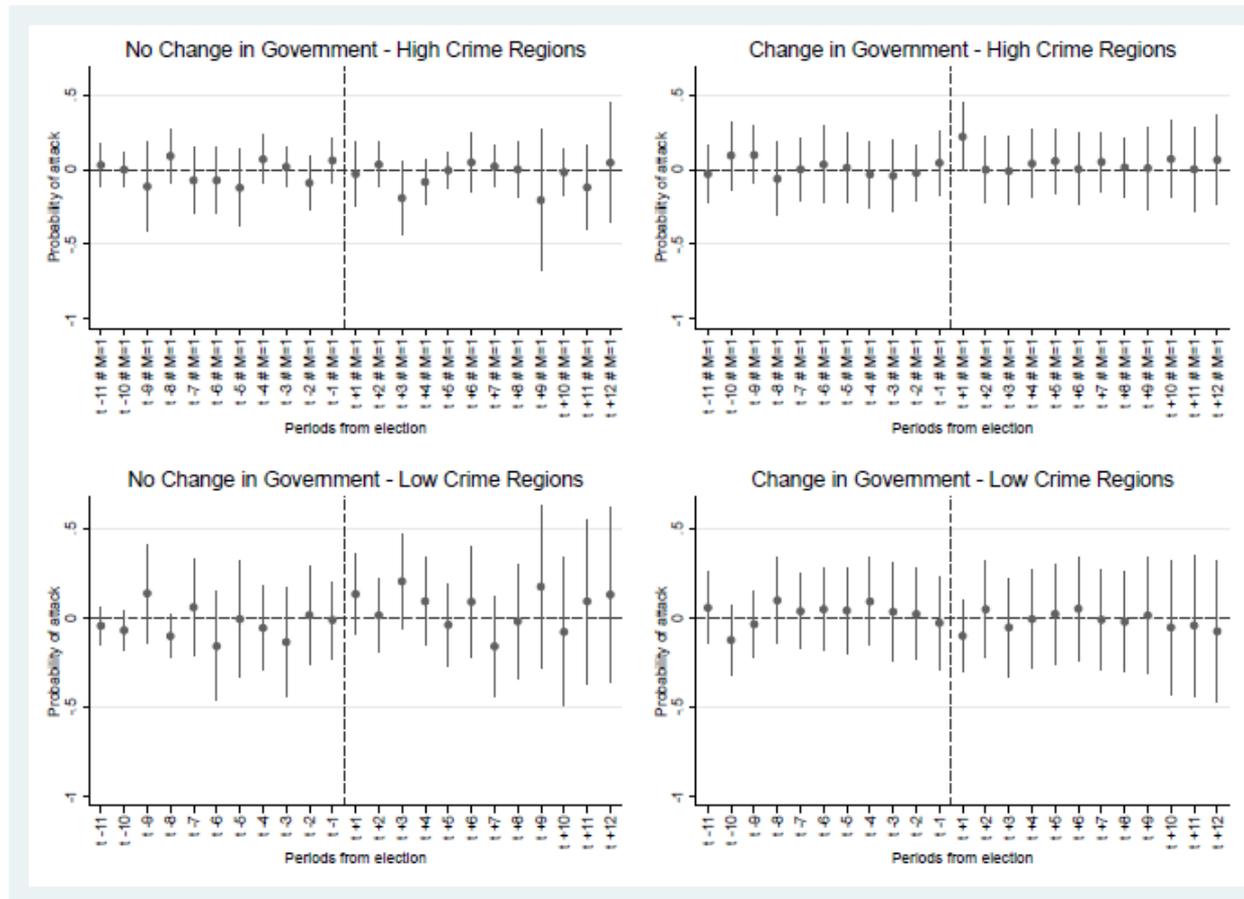


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Robustness Tests I

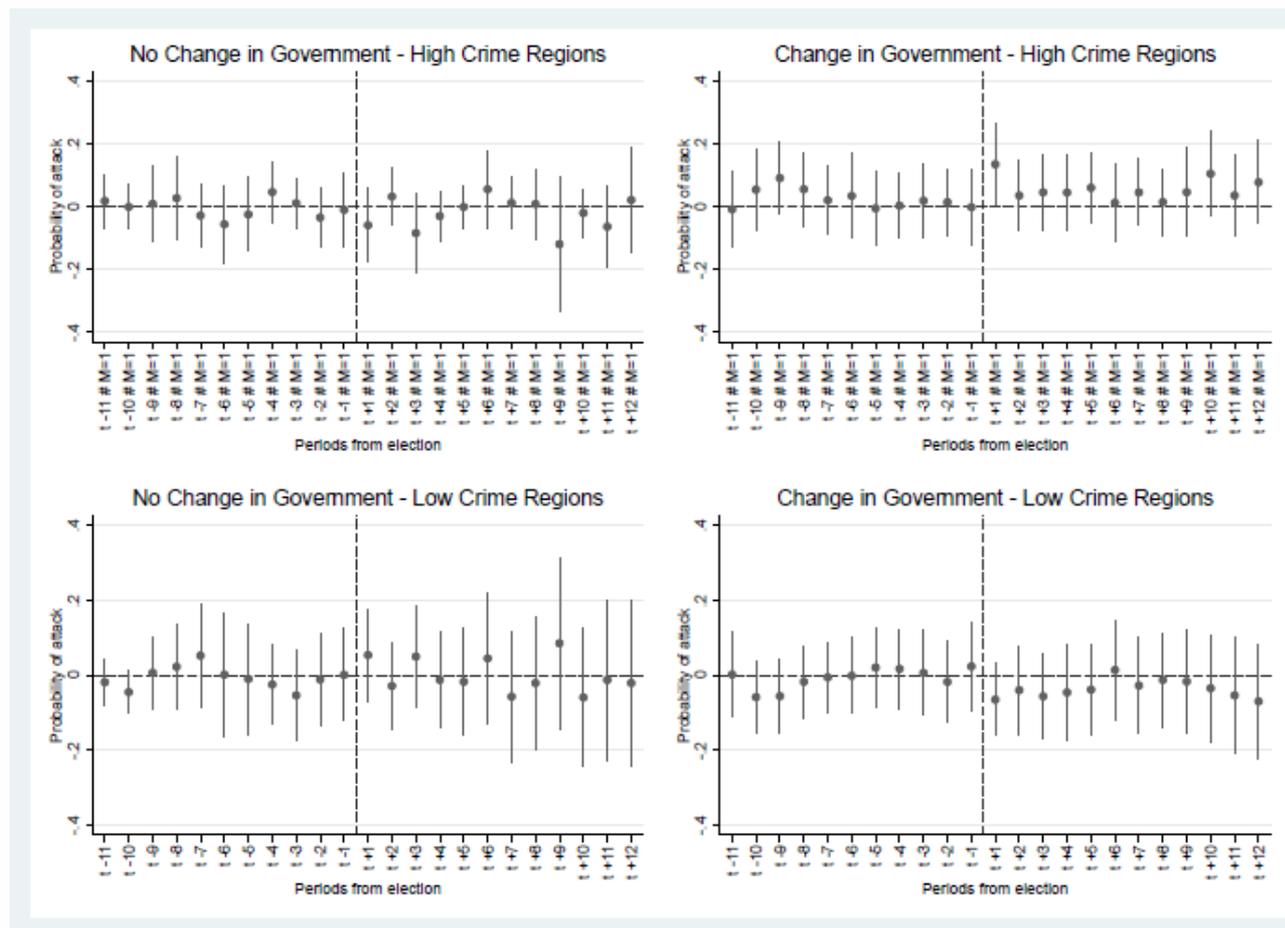
- Time windows (6 months; 24 months)
- Period definitions (month Vs. 30 days)
- Base category (t-1)
- Mafia measures (councils dissolved for mafia; firms seized to mafia; provincial index of Mafia presence)
- With/without early terminations
- Only with exogenous change in governments
- Different definition of dep. Var. (binary/continuous)
- Logit specifications

Figure A.2: Probability of being a target of violence, visible attacks, change in government



Note: The figure shows plotted coefficients from panel estimates where the dependent variable is a dummy equal to 1 (0 otherwise) if there is at least one *visible* attack in city i in period t . We consider 30-day periods from -12 to +12 (12 months before and after the elections). Each variable is a dummy equal to 1 in the respective period. *High(Low) Organized Crime* (here referred to as M) is a dummy equal to 1 only for regions with high(low) criminal organization involvement in politics. The dummy change, for which we subset the regression, takes a value of 1 only when the election led to the appointment of a new government in city i . The base category is the period -12 to election. The lines report 5% confidence intervals.

Figure A.3: Probability of being a target of violence, salient attacks, change in government



Note: The figure shows plotted coefficients from panel estimates where the dependent variable is a dummy equal to 1 (0 otherwise) if there is at least one *salient* attack in city i in period t . We consider 30-day periods from -12 to +12(12 months before and after the elections). Each variable is a dummy equal to 1 in the respective period. *High(Low) Organized Crime* (here referred to as M) is a dummy equal to 1 only for regions with high(low) criminal organization involvement in politics. The dummy change, for which we subset the regression, takes a value of 1 only when the election led to the appointment of a new government in city i . The base category is the period -12 to election. The lines report 5% confidence intervals.

Other tests

- Alternative story: Political conflict - test for electoral competition driving attacks
- No relevance of politicians' age or gender
- Too many local parties to test for party affiliation

Discussion

- Important decisions made right after elections, such as political and managerial appointments, can be conditioned if organized crime intimidates the politician from the very start
- optimal strategy to maximize habit formation and minimizing reputation costs by preventing the new government from acting against the criminal group (similar to Hodler and Rohner (2012) for terrorist groups)
- Policy side: protecting local politicians?