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DISCUSSION PAPER SERIES

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Opting Children Out**

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ABSTRACT

The Tragedy of Clientelism: Opting Children Out

Governments in new democracies launch social policies with the purported goal of alleviating the effects of poverty among the most vulnerable households, usually low income families with children. However, this goal is can be thwarted by the clientelistic distribution of social policies' benefits because politicians seek to maximize political support and children do not vote. Based on the main Argentine household survey and on personal interviews with 120 brokers, this paper shows that brokers collect information on family size and age composition and allocate temporary public works programs that are in excess demand discriminating against families with children not old enough to vote.

JEL Classification: K40, H53, I38

Keywords: clientelism, household, discrimination, social policy, Latin America, Argentina

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1. 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 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 \$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.

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 discrimination against households with children for the simple reason that children are not old

¹ Clientelism is usually defined as the personal and discretionary allocation of resources to individuals in exchange for their political support. It is the discretionary and conditional way in which goods and services are allocated what makes an exchange clientelistic rather than what is distributed.

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

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 allowed to vote. Such a strategy, however, is quite detrimental because, by excluding non-voters, typically children from whom politicians have little to obtain, clientelism discriminates against the most 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 brokers, this paper shows that a key piece of information that brokers collect is

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).

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 allowed to vote), while the most vulnerable families tend to be excluded. Furthermore, we prove that this relationship reverses when the 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

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 7 Presidential elections and has always controlled most Provincial and Municipal executives.

brokers reveal the information they collect and their motivations for doing so, thus elucidating the processes and mechanisms underlying the econometric results.

2. 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 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

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.

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

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

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 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.

3. 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

¹¹ Garay (2007), Giraudy (2007), Lodola (2005), Ronconi (2009), Ronconi and Franceschelli (2007), Szwarcberg (2012), and Zarazaga (2013).

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.

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 207 out of 247 (84%) elections for Mayor in the region and today governs 30 of its 33 municipalities. 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 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 two hours.

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 hours per day were crucial components of their job.¹⁵ 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. Table 1 presents descriptive statistics

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

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

¹⁵ Question asked: Which are the fundamentals that enable you to do your political job?

that illustrate the detailed knowledge that brokers have about their clients. The average broker helps 85 people frequently and 95% of brokers know exactly where all of their clients live. Brokers report distributing food, medicine, clothes, temporary public works programs, cash and building materials depending on the needs of their clients and with near perfect timing. The following quote from a broker illustrates the case, “This is my neighborhood; no one knows it better than I do, and no one is better known here than I am. People here are poor. They do not have anyone else to resort to when they have a problem, and I know what and when I have to deliver.” Also, another one stated, “I know their situation every minute. When Matilde, the old lady across the street, passed away, nobody told me but I knew they did not have money for the coffin so I showed up with it. When the spring comes, I know that the mother of the asthmatic boy from two blocks down cannot afford the medication so I get it for her from the Mayor. Nobody could ever help them like me.”

<Table 1>

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 Argentina¹⁶ and the long tenure of brokers helps them knowing 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% know the number of household members that are 18 years old or

¹⁶ According to the EPH, only 3.5% of the poor population changed neighborhood during the last five years.

more (that is, how many are legally allowed to vote).¹⁷ 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 votes. One broker commented: "You can be a nice candidate but without resources you will not be Mayor. You need resources and to know who you are giving them to. You need good brokers. Here with very little you get enough support. If you give this [showing his fingertip] to the people, you can handle them as you wish. But you need the people who know how to do it." The importance of information and local knowledge was illustrated particularly well by another broker who complained about a fellow broker that lost the election in his neighborhood: "Look at the total lack of intelligence of Sosa. He distributed jobs to people that he did not know. If you do not know them well, you do not know what they have at stake. They can take the job, and then stab you in the back. What a lack of intelligence!"

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

¹⁷ Brokers' knowledge depends on their tenure and their place of residence. Brokers with more than 10 years of tenure, compared to brokers with 10 years or less of tenure, are more likely to know (the difference in parentheses) the exact address of their clients (0.14**), their names (0.24*), family size (0.05), age of family members (0.04), and their needs (0.21**). Brokers who reside in the same municipality as their clients, compared to those who reside somewhere else, are also more likely to know the exact address of their clients (0.07), their names (0.20), family size (0.11**), age of family members (0.04), and their needs (0.24**). * Statistically significant at the 0.10, and ** 0.05 level.

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.

4. 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 allowed 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 more members that are below 18 years old have fewer means to produce their own income (“Benevolent social planner hypothesis”). We focus on the allocation of temporary public works program because this is the only social benefit 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”.¹⁸ Participants should be unemployed and members of a vulnerable family. They receive a monthly transfer of 1,200 pesos per month (approximately 250 USD) in exchange for taking training courses and working in public works projects for 40 hours 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.¹⁹

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 1,200 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

¹⁸ See <http://www.desarrollosocial.gob.ar/argentinatrabaja/>

¹⁹ 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.

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.²⁰

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 2 compares the socioeconomic and demographic characteristics of beneficiaries and non-beneficiaries:

<Table 2>

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 members. Figure 1 shows the share of individuals receiving workfare by family size (relative to the typical family of four members). We observe that the probability of receiving a workfare benefit is almost three times larger for an

²⁰ The EPH is available at www.indec.gob.ar

individual who is part of a household with nine or more members compared to an individual who is part of a household with four members.

<Figure 1>

Having shown illustrative evidence that workfare programs are mainly distributed among low-income people and members of larger families, the fundamental question is whether poor individuals who are part of families with a higher dependency ratio are more or less likely to be targeted. If workfare programs were allocated with the objective of helping the most vulnerable families, then we should observe, after controlling for income, family size and other socioeconomic characteristics, a higher incidence among individuals who are members of a family with more children under the age of 18. Finding the opposite (that is, a higher incidence among members of families with more voters) would support the hypothesis that brokers distribute benefits with the objective of obtaining more political support.

Table 3 compares the number of voters per household between beneficiaries and non-beneficiaries located in the same decile of the national distribution of family income per capita. We observe that beneficiaries are part of families with more voters, and that this positive difference shows up across all per capita income deciles and it is always statistically significant at the 1% level. For example, the family of an individual that receives a workfare benefit and is located in the poorest decile has on average 2.7 voters while non-beneficiaries also located in the poorest decile have 2.3 voters. In the second decile the difference is even larger, with 3.3 voters among beneficiaries and 2.6 among non-beneficiaries. Overall, the family of individuals that receive a workfare program has 0.9 more members that are of voting age compared to families of individuals that do not participate in the program.²¹

²¹ These figures also show that workfare benefits are not adequately distributed since 15% are allocated to people in the top half of the income distribution.

<Table 3>

This evidence is consistent with the idea that brokers target individuals who are part of families with more voting members, but except for income and family size, it does not take into account other factors that could be driving the relationship. Therefore, we test the following model:

$$Workfare_i = \beta Voters_i + \delta FamilySize_i + \theta Income_i + \alpha X_i + \varepsilon_i, \quad (1)$$

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 are 18 years old or more (i.e., that are legally allowed to vote); $Family Size$ is the total number of members; $Income$ is the total family income, 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 equation (1) with a probit model and report the marginal effects.

We begin without including any control (column 1 table 4). People with more family members that are legally allowed to vote are more likely to receive a temporary public works program and the coefficient is statistically significant at the 1 percent level. In column (2) we add family size and total family income and the coefficient remains positive and statistically significant. We obtain similar results after adding additional demographic and socioeconomic controls (columns 3 to 5). Overall, the results indicate that an individual voter who is member of a poor family with three children below age 18 is approximately 10% less likely to receive a

workfare benefit compared to an individual that is identical with the exception of having their children aged 18 years or more.²²

As a robustness check we run the specification with the full set of controls for three alternative samples. First, we restrict the sample to head of households (column 6). Second, we restrict the sample to individuals who are members of families with children aged 15 to 20 years (column 7). Third, we restrict the sample to head of households with children aged 15 to 20 years (column 8). For politicians and their brokers there is a key difference between a head of household with a child 15 to 17 years old relative to a head of household with a child 18 to 20 years old. Giving a benefit to the latter is likely to bring one additional vote. The results 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.

<Table 4>

In Table 5 we run the model with the full set of controls but for each region separately. We find that in all regions temporary public works programs are more likely to be allocated to individuals who are part of families with more voting members. That is, the phenomenon is not only circumscribed to greater Buenos Aires (where the survey of brokers was conducted). There is, however, heterogeneity across regions. The Northwestern region— which is the less economically and institutionally developed region in Argentina and includes the provinces of Catamarca, Jujuy, La Rioja, Salta, Santiago del Estero and Tucumán – presents the worst allocation of funds: an individual voter who is member of a family with three children that are

²² 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.

legally allowed to vote is 26% more likely to get the benefit compared to an individual that is identical with the exception of having their children below age 18, while in greater Buenos Aires the difference is only 9%. The least clientelistic region is the Pampeana region where the effect is only 3%.²³

<Table 5>

Summing up, we find that the actual allocation of temporary public works programs contradicts with the fundamental objective of social inclusion. Vulnerable families (that is, those families with more children below age 18) 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, their families are discriminated against.

5. 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 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 two weeks. As a

²³ The Northeastern region includes: Chaco, Corrientes, Formosa and Misiones; the Cuyo region includes: Mendoza, San Luis and San Juan; the Pampeana region includes: Buenos Aires (except greater Buenos Aires), Córdoba, Entre Ríos, La Pampa and Santa Fe; and the Patagonia region includes: Chubut, Neuquén, Rio Negro, Santa Cruz and Tierra del Fuego.

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 ten percent of the adult population. Because the situation was extremely severe, the government had little option but to make it universal. Every head of household in a poverty situation had access to the benefit.

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 unemployed 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 thousands 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.

Table 6 replicates the same models as in table 4 but using as a sample the EPH for the years 2003 and 2004. Contrary to the results in table 4, the variable *Voters* is negative and statistically significant. That is, members of families with more children below 18 years old are more likely to receive benefits when access to temporary public works is universal, while the contrary occurs when politicians and their brokers have discretionary power to select who enters into the program.

<Table 6>

6. CONCLUSION

This paper attempts to make two contributions to the literature. First, it argues 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.

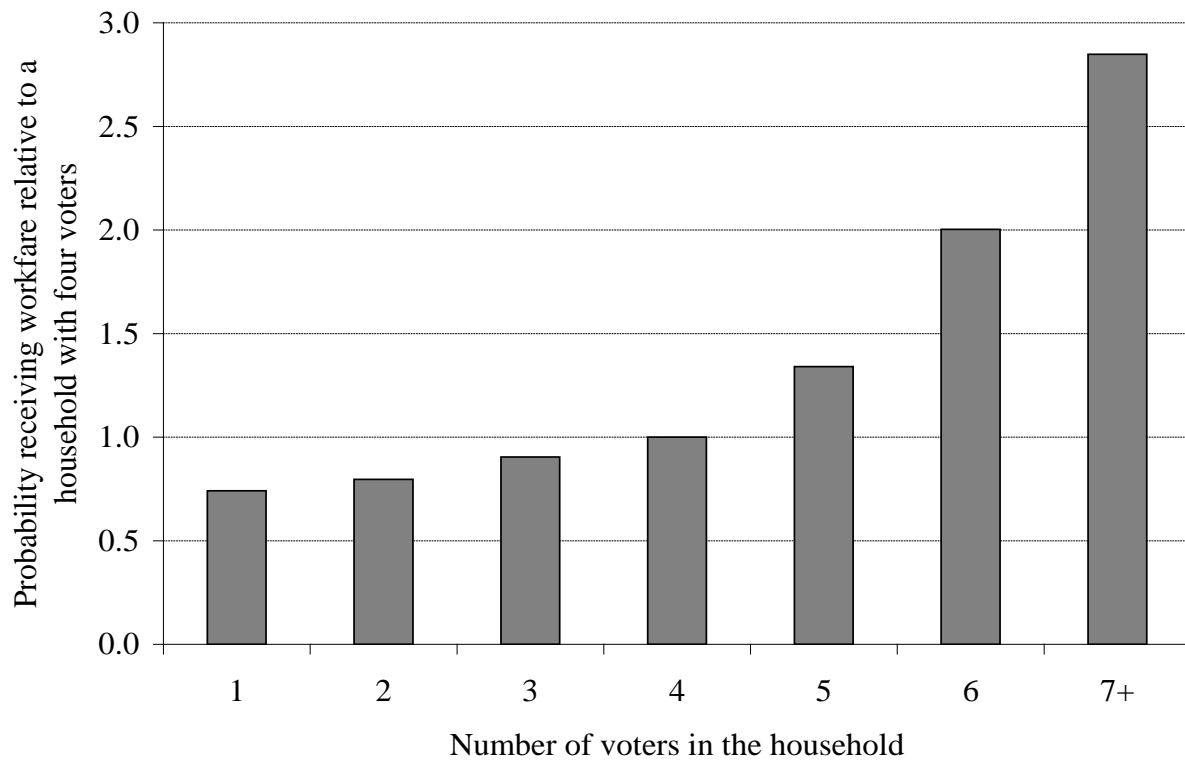
Second, the paper emphasizes a relatively ignored distortion produced by clientelism. The most vulnerable households (that is, those with more children per adult) tend to be excluded simply because it is politically more profitable to target families with more voting members. This is an important negative 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 more children below the age of 18 (which is the legal threshold to vote) 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 toward 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, one of 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.

Figures and Tables

Figure 1 – Probability that an individual receives workfare by household size (relative to a household with four voters)



Note: The figures are based on data from 2010 to 2012. The percentage of people 18 to 65 years old that participate in a workfare program and lives in a household with only one voter is 0.33%, with two voters 0.36%, with three 0.4%, with four 0.45%, with five 0.6%, with six 0.89%, and with seven or more voters 1.27%.

Table 1 – Brokers knowledge about their clients

Question	Share of brokers that responds affirmatively
Do you reside in the same municipality where you work?	0.92
Do you know exactly where all the people you help live?	0.95
Do you know the names of all the people you help?	0.74
Do you know the socioeconomic situation of each family you help?	0.92
Do you know the family size of all the people you help?	0.98
Do you know how many family members are 18 years old or more?	0.89
Do you discuss politics with the people you help? (1 if two times per year or more)	0.84

Table 2 – Descriptive statistics of beneficiaries and non-beneficiaries of workfare programs

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	1,789.32	-1,111.88***
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	

Notes: Income from participation is excluded. An individual is categorized as newly arrived if five 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.

Table 3 – Number of family members that are legally allowed to vote among beneficiaries and non-beneficiaries of workfare programs, by per capita income decile

Per capita income decile	Beneficiaries	Non beneficiaries	Difference
Poorest decil	2.67	2.30	0.37***
Decil 2	3.29	2.55	0.74***
Decil 3	3.34	2.57	0.77***
Decil 4	3.28	2.43	0.84***
Decil 5	3.13	2.32	0.81***
Deciles 6 to 10	3.41	2.12	1.29***

Notes: Income from participation is excluded. The distribution of beneficiaries across per capita income deciles is as follows: 27% in the poorest decile, 26% in decile 2, 15% in decile 3, 10% in decile 4, 7% in decile 5, and 15% in deciles 6 to 10. *** Statistically significant at the 1% level.

Table 4 – The allocation of temporary public works in excess demand across individual and household characteristics, 2010 to 2012

Variable	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Voters	0.00086*** (0.00016)	0.00061*** (0.00016)	0.00067*** (0.00016)	0.00064*** (0.00015)	0.00070*** (0.00014)	0.00055*** (0.00016)	0.00111*** (0.00026)	0.00072*** (0.00024)
Family size	-	0.00033*** (0.00008)	0.00027*** (0.00008)	0.00014* (0.00008)	0.00005 (0.00008)	0.00005 (0.00006)	-0.00018 (0.00014)	-0.00018 (0.00012)
Income	-	-0.00077*** (0.00005)	-0.00074*** (0.00005)	-0.00062*** (0.00005)	-0.00053*** (0.00005)	-0.00053*** (0.00005)	-0.00069*** (0.00009)	-0.00069*** (0.00009)
Age	-	-	0.00018** (0.00007)	0.00017** (0.00007)	0.00015** (0.00006)	0.00005 (0.00006)	0.00025** (0.00012)	0.00019* (0.00011)
Age squared	-	-	-0.00002** (0.00001)	-0.00002** (0.00001)	-0.00002** (0.00001)	-0.00001 (0.00001)	-0.00001* (0.00001)	-0.00001 (0.00001)
Female	-	-	0.00024 (0.00029)	0.00037 (0.00027)	0.00038 (0.00026)	0.00040** (0.00022)	-0.00019 (0.00051)	-0.00001 (0.00001)
Married	-	-	-0.00109*** (0.00035)	-0.00087*** (0.00032)	-0.00071** (0.00030)	-0.00049** (0.00023)	-0.00230*** (0.00057)	-0.00158*** (0.00054)
Schooling	-	-	-	-0.00019*** (0.00004)	-0.00010*** (0.00004)	-0.00003 (0.00003)	-0.00010 (0.00007)	-0.00001 (0.00005)
Newly arrived	-	-	-	-0.00201*** (0.00026)	-0.00185*** (0.00025)	-0.00110*** (0.00027)	-0.00275*** (0.00038)	-0.00139*** (0.00037)
Born other province	-	-	-	-0.00008 (0.00036)	-0.00013 (0.00034)	-0.00011 (0.00023)	-0.00023 (0.00066)	-0.00010 (0.00042)
Foreign born	-	-	-	-0.00103 (0.00052)	-0.00108* (0.00047)	-0.00048 (0.00036)	-0.00187 (0.00088)	-0.00070 (0.00068)
Shantytown	-	-	-	-	0.00172 (0.00149)	0.00031 (0.00079)	0.00747** (0.00045)	0.00291 (0.00323)
Dirt floors	-	-	-	-	0.00044 (0.00118)	0.00012 (0.00079)	0.00107 (0.00219)	0.00221 (0.00380)
Running water	-	-	-	-	-0.00067 (0.00055)	-0.00060 (0.00049)	-0.00069 (0.00100)	-0.00069 (0.00082)
Sewerage	-	-	-	-	-0.00054* (0.00030)	-0.00028 (0.00026)	-0.00092* (0.00056)	-0.00048 (0.00048)
Town gas	-	-	-	-	-0.00161*** (0.00043)	-0.00078** (0.00040)	-0.00253*** (0.00062)	-0.00160*** (0.00063)

Note: Table reports marginal effects (dF/dx) 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 that are legally allowed to vote. Robust standard errors are in parentheses. *** Significant at the 1%, ** 5%, * and 10% level.

Table 5 – The effect of the number of voters per family on the probability of receiving temporary public works benefits in different regions, 2010 to 2012

Region	Marginal effect	Robust standard error
Greater Buenos Aires	0.00059***	(0.00023)
Northwest	0.00173***	(0.00045)
Northeast	0.00085**	(0.00037)
Cuyo	0.00137***	(0.00033)
Pampeana	0.00021**	(0.00011)
Patagonia	0.00044***	(0.00018)
Whole country	0.00070***	(0.00014)

Note: The DV is an indicator equal to 1 if the individual receives a temporary public works program and 0 otherwise. The table only reports the marginal effects (dF/dx) of the variable *Voters*, which is equal to the number of family members that are legally allowed to vote. All models include the full set of demographic and socioeconomic controls as in column (5) table 4. Robust standard errors are in parentheses. *** Significant at the 1%, ** 5%, * and 10% level.

Table 6 – The allocation of a universal temporary public works across individual and household characteristics, 2003-2004

Variable	(1)	(2)	(3)	(4)	(5)
Voters	-0.00352** (0.00122)	-0.00673*** (0.00065)	-0.00369*** (0.00053)	-0.00311*** (0.00048)	-0.00221*** (0.00045)
Family size	-	0.00837*** (0.00057)	0.00633*** (0.00048)	0.00498*** (0.00040)	0.00410*** (0.00035)
Income	-	-0.03586*** (0.00134)	-0.03100*** (0.00131)	-0.02543*** (0.00107)	-0.02164*** (0.00089)
Age	-	-	0.00326*** (0.00031)	0.00296*** (0.00028)	0.00288*** (0.00027)
Age squared	-	-	-0.00004*** (0.00001)	-0.00004*** (0.00001)	-0.00004*** (0.00001)
Female	-	-	0.01181*** (0.00120)	0.01167*** (0.00116)	0.01154*** (0.00111)
Married	-	-	-0.00850*** (0.00116)	-0.00677*** (0.00102)	-0.00596*** (0.00094)
Schooling	-	-	-	-0.00170*** (0.00017)	-0.00099*** (0.00013)
Newly arrived	-	-	-	-0.00843*** (0.00092)	-0.00716*** (0.00091)
Born other province	-	-	-	0.00093 (0.00105)	-0.00022 (0.00096)
Foreign born	-	-	-	-0.00611** (0.00146)	-0.00626*** (0.00126)
Shantytown	-	-	-	-	-0.00095 (0.00146)
Dirt floors	-	-	-	-	0.00101 (0.00285)
Running water	-	-	-	-	-0.00068 (0.00119)
Sewerage	-	-	-	-	-0.00704*** (0.00107)
Town gas	-	-	-	-	-0.01215*** (0.00140)

Note: Table reports marginal effects (dF/dx) 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 that are legally allowed to vote. Robust standard errors are in parentheses. *** Significant at the 1%, ** 5%, * and 10% level.

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