# Elite Capture of Local Institutions: Evidence from a Field Experiment in Afghanistan

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**Abstract**: Can formal governance decision rules affect elite capture of community resources? This paper examines this question in a field experiment implemented across 250 villages in Afghanistan. Using random assignment we study the impact of two methods for electing local development councils and of two methods for selecting local development projects. We contrast outcomes of election with single multimember district and elections with multiple single-member districts. For project selection, we contrast outcomes of a village meetings with secret-ballot referenda. The results indicate that members of the village elite have substantial influence on the choice of projects only in villages that combine at-large elections of the council with the consultation meeting procedure for project selection. Elite domination in the choice of projects, however, does not affect the attitudes of the villagers toward leaders nor does it affect their perceptions of economic change.

## I. Introduction

Social science research has long stressed the importance of institutions for economic and political development. There is vast theoretical literature that analyses the effects of political institutions[1] (see Persson and Tabellini, 2000 for a survey). However, empirical studies have been constrained in making conclusive causal arguments as political institutions are deeply historically entrenched and highly endogenous structures (Acemoglu, 2005; Aghion et al, 2004, 2008). Even the studies that have made a compelling case for the effects of institutions on development using instrumental variables (Acemoglu et al, 2001, 2002) have been restricted in establishing what particular institutional features are actually conducive to development— as real world institutional changes involve many elements that are bundled together and change at the same time (Acemoglu, 2005; Acemoglu and Johnson, 2005).

At the local level, however, establishing causal effects of specific political institutions is sometimes made feasible through field experiments that directly manipulate local governance decision rules. In this paper we report the results of such an experiment that randomly assigns

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[1] By political institutions here we mean rules that govern the process of political decision making, such as electoral rules, forms of government, direct democracy etc.

two aspects (?) of local political institutions: electoral rules for of electing community council members and method of selecting development projects. To the best of our knowledge, ours is the first work to study the causal effect of electoral rules using random assignment.

In the context of a large-scale field experiment conducted in Afghanistan we identify how different methods of electing local councils and selecting projects impact the degree of influence that different groups of villagers yield on the choice of community projects. The intent is to examine whether some institutional rules are more conducive to elite capture, allowing local elites to promote their own preferred development projects. We also examine whether this affects attitudes towards village leaders and perception of economic change. We find that though the choice of projects is generally responsive to the preferences of non-elite male villagers, some local governance decision rules are more conducive to elite capture than others.

We introduced two interventions across 250 communities as part of a randomized evaluation of Afghanistan's community driven development program known as the National Solidarity Program (NSP). The intervention related to the election of Community Development Councils (CDCs) contrasts elections with multiple single-member districts (`cluster' elections) and elections with a single multimember district (`at-large' elections). Under the cluster election procedure, the village is divided into several segments called cluster and the vote choice of villagers is restricted to those people who live within their village cluster. Under the alternative at-large procedure, villagers face no restrictions on whom they can vote for in the village and several top vote-getters are elected to the council. The intervention related to the choice of development projects is similar to the one in Olken (2010) and compares the outcomes of "referendum", in which the projects are chosen using a village-wide secret-ballot voting and "consultation meeting", in which the CDC convenes a meeting during which villagers discuss project selection and reach consensus as to which projects should be implemented. The list of potential projects to be considered in both conditions was generated using an identical agenda-setting process.

To measure elite control we compare the choice of the projects with *ex ante* preferences (measured using pre-treatment survey) of male village leaders, non-elite male villagers, and village women. This allows us to see whether certain election and project selection procedures make local elites more effective in promoting their own preferred development projects. Thanks to the random and independent assignment of these interventions across the 250 treatment villages, the experiment provides rigorous empirical evidence of how variation in methods of CDC elections and project selection, as well as their combination, affects project selection outcomes.

We find that that on average the variation in the electoral rules does not affect the alignment between the preferences of the different groups of villagers and the choice of projects. With respect to the project selection procedure our findings indicate that the types of projects that get proposed, selected and prioritized are more likely to accord with the preferences of male elites in villages that selected projects through consultation meetings, as compared to referenda suggesting that the influence of these elites over the selection process is significantly affected by. More nuanced analysis, however, shows that there is an important interaction between election type and selection method: Elite preferences have a significant influence on the choice of the projects only in villages that combine consultation meeting with at-large elections.

The results indicate that changes in *de jure* political institutions affect tangible economic outcomes, so that if there is some realignment of *de facto* political power that comes as a reaction to these new rules, they do not succeed in fully offsetting these differences (Acemoglu and Robinson, 2008). We might expect such offsetting change in the distribution of *de facto* political power to be especially likely in the case of implantation of formal institutions that have no historical roots, such as elections of the village council or referendum over the choice of development projects in Afghanistan, since they are more likely to be captured by traditional institutions and power-holders. The finding that *de jure* political institutions affect economic outcomes even in this context suggests that *de jure* political institutions put important constraints on the redistribution of the *de facto* political power, at least in the present context where new rules could be easily monitored and strongly enforced. Another possibility is that redistribution of *de facto* political power is a relatively slow process, so that changes in *de jure* political institutions have an effect only in the short-run and their effect will disappear once the *de facto* political power is fully realigned.

It is important to note that elite control is not necessarily related with outcomes that make ordinary villagers worse off. The difference in projects preferred by elite and ordinary people may reflect not only relative benefits derived by each group, but also an informational advantage on the part of the elite in assessing which projects will bring more benefits to the village or which projects are more likely to be successfully implemented. For instance, Labonne & Chase (2009) show that when elected village leaders override community preferences in choosing a project, this increases the likelihood that the project will get funding in the inter-village competition for resources. Some findings also suggest that despite elite control there are still outflows directed to the local population as reflected by their expressed satisfaction (Rao and

Ibanez 2005; Owen and van Domelen 1998). To address this issue we examine the effect of different election types and methods of project selection on the villagers' attitudes.

The evidence suggests that though elite capture has practically no effect on villagers' attitudes toward their leaders, it is nevertheless associated with a higher prevalence of disagreement with the decisions made by their leaders. The results hold whether we look at the direct effect of the combination of at-large elections with consultation meeting, or if we look only at the instance in which these prescribed decision-making rules led to the choice of the project that was preferred only by the elite. Thus, the data suggests that although villagers express disagreement with the choice made by the elite, in the end there is no noticeable difference in villagers' satisfaction, so that elite capture cannot be unambiguously interpreted as simple appropriation of the common resources by the elite. [2]

Our findings also reveal the predominance of male preferences over female ones as the latter have no systematic effect on the choice of projects regardless of election type and project selection method.

The paper is divided into five sections. Section II describes the relevant literature. Section III provides a description of NSP, the randomized evaluation of NSP, and the variations in election method and project selection procedure. Section IV presents the hypotheses of relevance to the study. Section V describes the data sources and provides initial description of the data. Section VI describes the methodology and the results of the empirical analysis, which are then discussed in Section VII. Section VIII concludes.

## II. Literature Review

The existing social science literature has long stressed the importance of institutions for economic and political development but, as discussed above, has had limited success in dealing with underlying identification issues inherent in questions that address highly endogenous structures such as institutions. Though studying the causal effects of institutions on development is hard, as they tend to be deeply historically entrenched, recent initiatives such as the introduction of Community Driven Development (CDD) programs have provided unique opportunities to analyze the effect of exogenously introduced institutional changes. The strength of CDD programs lies in their focus on community ownership of the selection, implementation and management of development projects. This is in turn meant to reduce informational

[2] Note that our definition of elite capture considers only the choice of the projects and does not consider corruption, patronage, stealing, and other potential forms of direct misappropriation of resources by elites.

inefficiencies by reflecting the real desires of the community through appropriate development projects (Kingsley, 1996; Manor, 1999) and by promoting good governance (Nordholt, 2004); (Fung and Wright, 2003). However, and despite the vast increase in resources committed to community driven development activities, there is a relative scarcity of rigorous impact evaluations of CDD projects and a lot of outstanding questions on CDD efficacy (Mansuri and Rao, 2004; Fearon, J. et al., 2008). How truly participatory are these CDD processes and do they reflect community preferences or are they dominated by entrenched pre-existing elites?

Though some works (Gugerty and Kremer, 2000) find that outside funding can alter the make-up of beneficiary groups, attracting people with higher capital in terms of wealth and education to positions of leadership, skeptics of CDDs caution that increased resources may fall prey to elites that do not necessarily have egalitarian preferences (Conning and Kevane, 2002; Galasso and Ravallion, 2004; Platteau, 2004). Indeed, these community-based development programs do not occur in a void. Rather, they have to compete with pre-existing institutions of political and social organization (such as traditional local elites) and often get co-opted by them (Abraham and Platteau, 2000; Fung and Wright, 2003). As a result, and despite CDD's participatory approach encapsulated by the community councils, concerns about elite capture abound. Several works find that community driven social funds are vulnerable to elite manipulation advantaging local elites, who are the holders of power and information within communities (Bardhan, 2002; Bardhan and Mookherjee, 2006; Platteau and Gaspart, 2003; Abraham and Platteau, 2004).

Despite the general consensus that elite capture can have repercussions on local governance and economic well being, there is still disagreement as to the extent to which it takes place. While some studies indicate that local elites tend to promote their own preferred development projects (Rao and Ibáñez, 2003; Owen and Van Domelen, 1998; van Domelen, 2002) more recent work suggests that project proposals can be equally representative of elites as well as their constituents (Labonne and Chase, 2009). Concerns are also raised as to whether there needs to be a distinction between "elite capture" and "elite control" to allow for benevolent manifestations of elite influence. Indeed, the literature recognizes that a certain degree of elite domination is to be expected in traditional societies undergoing development. Leaders in such contexts, and particularly in rural areas, are not just the holders of political power but often looked to for their moral authority. Elite control should thus not be outright equated with corruption or misappropriation of resources. In that regard, some findings suggest that there are still outflows directed to the local population as reflected by participants expressed satisfaction with projects despite evidence of elite control (Rao and Ibáñez, 2005; Owen and Van Domelen, 1998). In the

present paper, we make no *a priori* judgments as to the welfare effects of elite control over decision-making process, and thus use the terms "elite capture" and "elite control" interchangeably.

Irrespective of whether it is benevolent or malevolent, elite control generally runs counter to the broad-based participatory view espoused by proponents of community driven development, prompting the need for further study as to whether election and project selection decision rules can enable wider participation. In this work we examine the effect of different decision methods in electing elites and selecting community projects. Though there is a rich literature on direct democracy, existing findings are not directly comparable as they are almost exclusively observational studies without an experimental manipulation.. The clear exception is the experimental work of Olken (2010) who in the context of a CDD program in Indonesia introduced an alternative decision mechanism for project selection in the form of a plebiscite (direct secret election), with the expectation that it would allow for a more competitive process thanks to higher levels of participation, enhancing legitimacy and bypassing the potential for elite capture (Lind and Tyler, 1988; Matsusaka, 2004). Olken (2010) finds that the effect of selection procedure on the type of selected projects is weak, although there is some evidence that plebiscites resulted in projects chosen by women being located in poorer areas. Having projects selected through a general plebiscite did, however, cause a large and statistically significant increase in declared satisfaction with the project and in perceptions of fairness and legitimacy of the selected project. It also increased villagers' willingness to contribute.

# III. Description of the Experiment

## III.1. National Solidarity Programme

The National Solidarity Programme (NSP), which began operations in June 2003, is Afghanistan's largest development programme. NSP uses the community-driven model of aid delivery, and is structured around two major interventions at the village level. With a view to building representative institutions for village governance, NSP mandates creation of a Community Development Council (CDC) in each village. CDCs are created through a secret-ballot, universal suffrage election and are composed of an equal number of men and women. The second principal intervention of NSP is to disburse block grants, valued at $200 per household up to a village maximum of $60,000, to support the implementation of projects chosen by communities. CDC designs the projects, oversees the selection process and together with NGOs works on implementation of the projects. Projects are ordinarily focused on either

infrastructure, such as drinking water facilities, irrigation canals and roads, or services, such as training and literacy courses. NSP is executed by the Ministry of Rural Rehabilitation and Development (MRRD) of the Government of Afghanistan, funded by the World Bank and a consortium of bilateral donors, and implemented by around 25 NGOs. By mid 2010 NSP had already been implemented in over 29,000 villages across 361 of Afghanistan's 398 districts at a cost of nearly $1 billion.

## III.2. Sample and Assignment of Treatment

The field experiment described in this paper was conducted as part of an impact evaluation of the NSP. Ten districts with no prior NSP activity that had a sufficiently large number of villages and satisfactory security conditions were selected for evaluation. Although none of the ten sample districts are drawn from Afghanistan's southern provinces due to security constraints, the districts otherwise provide a reasonably balanced sample of Afghanistan's geographic and ethno-linguistic diversity. The seven NGOs contracted to work in the sample districts provide a mix of small and large, international and local NGOs.

From each of the ten sample districts, 50 villages were selected by the assigned NGOs for inclusion in the study.[3] In each district, 25 villages were selected to be treatment villages using a matched-pair randomization procedure. These villages received NSP following the administration of a baseline survey in September 2007, with the remaining 250 control villages assigned to not receive NSP until after the conclusion of the second follow-up survey in 2011. For the purposes of this paper we consider only the villages that were assigned to receive NSP and focus on the variation in the procedures within the treatment group. [4]

All the treatment villages were randomly assigned to one of the four sub-treatment groups using the following procedure. To achieve better balance between the villages in different condition, all the treatment villages were grouped in quadruples using an optimal greedy matching algorithm. In particular, all the villages were matched into pairs based on similarity with respect to several background characteristics.[5] After that all the pairs were matched into pairs of pairs to form

[3] In each district NGOs chose another 15 communities that received NSP and were not included in the experiment. These villages were usually the most easily accessible from the district center, which farther shifts the sample towards more remote villages.

[4] A full description of the assignment of villages to treatment and control group can be found in Beath, Christia, and Enikolopov (2011a).

[5] The matching occurred after the baseline survey was conducted, but before the data was processed, so it did not draw on data from the baseline survey, but rather used data on the size of the villages collected a few years earlier by the Central Statistics Organization(CSO) and geographic variables constructed by the authors (distance to river, distance to a major road, slope of the terrain).

quadruples. Each of the village within quadruple was then randomly assigned one of the four combinations of council election and project selection methods described in more details below.

The randomization procedure resulted in a well-balanced set of villages in each sub-treatment group. **Error! Reference source not found.** presents the results of the comparison of the villages on a number of characteristics collected during the baseline survey before randomization took place. The differences in these characteristics between different groups of villages are small and never exceed 13% of the standard deviation, confirming that observed covariates are well balanced o between the groups of villages assigned to different sub-treatments.

## III.3. **Variation in Election Procedure**

In villages eligible for participation in NSP, CDC elections are organized and administered by social organizers employed by the contracted NGO. Every resident of the village, whether male or female, aged eighteen years or older, who has lived in the community for at least one year, is eligible to vote or be elected for a three-year term as a CDC member. Every eligible resident is considered a candidate. Villagers interested in being elected to the CDC are prohibited from campaigning in any way for the position. NSP rules require that at least 60 percent of eligible voters must cast votes in the election in order for it to be valid. The CDC must contain an equal number of male and female CDC members, with the total size being roughly proportional to the number of families residing in the village. All the treatment villages were segmented into geographically contiguous clusters of between 5 and 25 families and a village map with clusters and enclosed dwellings was displayed in a public area in the village. The number of clusters is set such that the number of male CDC members and the number of female CDC members are equal to the number of clusters in that village.

All the 250 treatment villages in the study were randomly assigned one of the two methods of election: cluster or at-large.

*Cluster elections:* Under this election method, which is what is used by NSP, the vote choice of individual villagers is restricted to those candidates who live in their assigned cluster. One male and one female from each cluster who have received the largest number of votes become representatives to the CDC. They are supposed to represent and report to the constituents who live in their cluster. Thus, in the standard terminology (e.g. Cox 1997) cluster system is an example of a single-member single-ballot simple plurality elections with multiple districts, similar to Anglo-American first-past-the-post system.

*At-large elections:* Under this election method, villagers can vote for anyone in the village. An equal number of male and female candidates that have received the most votes are elected to the CDC. To ensure a sufficient number of people are elected to the CDC, the villagers were given three votes.[6] The three votes are not ranked in any way, they can be casted only for different candidate, and community members may opt not to use all of their votes.[7] After the elections each male and female CDC member is assigned to a specific cluster so that even under at-large elections, it is expected that clusters will be created with a dedicated male and female representative, even if they don't necessarily live in the cluster. In the standard terminology at-large system is an example of multimember elections under plurality rule with a single district and multiple nontransferable votes. Thus, the two main differences from cluster elections are the district magnitude (which equals the number of CDC members to be elected instead of one) and the number of votes that the voters cast (three instead of one).

## III.4. **Variation in Project Selection Procedure**

All the 250 treatment villages were randomly assigned to one of two project selection procedures. Half of the treatment villages were randomly assigned to select projects through a secret-ballot referendum, with villagers selecting their preferred project from a list of potential projects proposed by the CDC. In the other half of the treatment villages, the CDC convenes and moderates a meeting of villagers to discuss project selection, with the goal of reaching a consensus as to which projects should receive funding. The agenda-setting rule is the same in both the referendum and the consultation meeting contexts, with the CDC determining the agenda after informal discussions with villagers. Further details on the differences between both procedures follow below:

*Consultation Meeting:* In villages assigned to select projects through a consultation meeting CDC convenes a meeting, open to all villagers and moderated by one or more CDC representatives, to discuss and decide which projects will be selected for NSP funding. At the start of the meeting, CDC representatives have the responsibility to explain each of the candidate projects. In order to make progress towards a consensus, CDC members may employ informal points-of-procedure (such as a show-of-hands) when appropriate, but no formal vote takes place before, during, or after the meeting. Following the end of discussion, the CDC decides upon the final list of

[6]Permitting three votes in at-large elections was requested by a number of the participating FPs who considered it a high probability that, if villagers were accorded only one vote in at-large elections, the number of vote-getting candidates would be less than the number of CDC seats, thereby necessitating multiple rounds of voting.
[7] I.e. the system allows plumping, but not cumulation (Cox, 1997).

projects that will receive funding and submit the selected list of projects to the NGO within three days of the consultation meeting.

*Referendum:* In those villages assigned to select projects according to a referendum once candidate projects are selected, all villagers eligible to vote in the CDC election are given the opportunity to vote, by secret-ballot, for their single most preferred project. NGOs organize referenda in much the same manner in which they organize the CDC election, ensuring the secrecy of ballots. At least 50 percent of eligible voters in the village must vote in the referendum in order for it to be valid. The results of the referendum are binding upon the CDC and the community, and projects are selected and prioritized for funding according to the number of votes they receive.

### III.5. **Monitoring**

CDC elections and project selection processes were monitored in order to provide an independent and systematic accounting of their implementation and integrity. To collect information on CDC elections and villagers' attitudes towards them we dispatched monitors to directly observe elections in a randomly selected set of 65 cluster villages and 66 at-large villages. Data from the monitors' reports and the interviews administered to 1,675 male voters indicate that project selection procedures were professionally executed by the implementing NGOs and that, in general, villagers exhibited a good understanding of the function of the different election procedures.

Similarly, to collect information on the project selection process and villagers' attitudes towards it, we dispatched monitors to directly observe project selection procedures in a randomly selected set of 63 villages assigned to a consultation meeting selection process and in 64 villages assigned to a referendum selection process. The collected data reflect both monitors' observations as well as 1,238 interviews conducted with villagers following their participation in the project selection procedure. As with the CDC elections, the monitoring results indicate that the NGOs carried out project selection procedures as instructed and that villagers were in command of the project selection procedures pertaining to NSP.[9]

## IV. Hypotheses

As outlined above, the paper is concerned with examining the extent to which different methods of electing local councils and selecting community projects condition elite capture of the project selection process. In particular, we examine how different election and selection procedures

[9] A detailed description of the monitoring results can be found at: http://nsp-ie.org/reportsmonitoring.html

affect the level of alignment between the types of projects that are selected and prioritized and the *ex-ante* preferences of different groups of villagers—male elites, general male villagers, as well as female villagers—over the implementation of particular project types.

As far as the method of project selection is concerned, consultation meeting is likely to be more conducive to elite control, as it allows members of CDC to exhibit greater influence and select projects that serve their most preferred projects over the projects favored by the general village community. Moreover, since we employ a secret-ballot, any conditional threat or reward elites might attempt to use to influence voters would be difficult to enforce.[11] The secret-ballot referendum condition should therefore limit the degree of elite control and ensure that selected projects better reflect the preferences of the general village public. Our first hypothesis suggests that:

> H1: The secret vote referendum results in less elite control over project selection.

In our analysis we do not equate elites with CDC members who oversee the project selection process.[12] Rather, we consider elites to be those people identified as village leaders before the introduction of CDCs. Thus, election method can affect the choice of the project by changing the alignment of the preferences of CDC members with the preferences of the elite. However, this effect will manifest itself only in the situation in which CDC has substantial influence over the choice of the projects. Since secret vote referendum limits the influence of CDC over the choice of projects, we expect the effect of election type on the choice of projects to manifest itself only in consultation meeting villages. Thus, our second hypothesis is as follows:

> H2: Election method affects elite control only in villages that selected projects via consultation meeting.

In villages that select projects through consultation meetings we expect to see higher level of elite control in villages in which there is stronger alignment between the preferences of CDC members and the preferences of the elite. Results in Beath, Christia, and Enikolopov (2011b) indicate that the difference between at-large and cluster election does not affect the probability of village elite being elected to the CDC with more than a quarter of male CDC members identified as village leaders before the elections in both types of villages.[13] At the same time,

[11] The elites can attempt influence the results by affect the turnout. However, the referenda turnout was very high, which make this channel unlikely.
[12] For an alternative approach see Labonne and Chase (2009) and Olken (2010).
[13] Another possible effect on the composition of CDC is the election of the relatives of the influential people, rather than the influential people themselves. We are collecting the data on the family ties of the CDC members with elite to examine this channel.

there is evidence that candidates elected under at-large elections are, on average, higher human capital. Although the effect of this difference in composition of CDC on the likelihood of elite capture is not straightforward, we might expect that better educated people have preferences that are more in line with the preferences of the elite or that can be more easily influenced by the elite (i.e. because elite members can more easily explain to them why a specific project is more important for the village). Thus, taking into account the second hypothesis, we formulate the third hypothesis:

> H3: Combination of at-large elections with consultation meeting will result in the highest level of elite control.

As long as elite control reflects appropriation of community resources by the elite this should lead to ordinary villagers receiving fewer benefits from development projects. Thus, elite control over the choice of projects should have a negative effect on the satisfaction of ordinary villagers with their village leaders as well as on their perception of economic change. Thus, our fourth hypothesis is as follows:

> H4: Elite control over the choice of projects has a negative effect on attitudes of ordinary villagers toward village leaders as well as on villagers' perception of economic change.

# V. Data

## V.1. Data Sources

Apart from the aforementioned monitoring data, data for this paper come from three sources: (1) information on the proposed, selected, and prioritized projects in each village supplied by NGOs; overall, data were provided for 1,567 proposed projects and 820 selected projects across 235 villages;[14] (2) data from the baseline survey collected during August and September 2007 before randomization took place; (3) data from the follow-up survey collected between May and October 2009. The follow-up survey was administered after the elections of the CDCs, selection of the projects took place, and the work on the implementation of the projects have started, but before all the projects were fully completed. Each of the surveys consists of four different instruments: (a) male household questionnaire administered to ten randomly-selected male heads-of household in each village; (b) male focus group questionnaire administered to 500

[14] We have information for 235 of the 250 treatment villages. For 8 villages the NGOs have not submitted all the necessary information; in 4 villages there was a violation of treatment status because of confusion with similarly sounding village names, and in 3 villages there was a violation of treatment status because of implementation problems. The attrition of these 15 villages was not correlated with sub-treatment status.

groups of village leaders; (c) a female focus group questionnaire administered to a group of important women who tended to overwhelmingly be wives or other relatives of the village leaders; (d) a female individual questionnaire. The last instrument was administered differently during the baseline and the follow-up surveys. During the baseline survey, it was administered to the same participants as the female focus group but was conducted on a one-to-one basis. During the follow-up survey, it was administered to the wife (or another senior women) of the respondent of the male household questionnaire.[15] The surveys contain information on a wide range of characteristics of the respondents, including the type of projects that respondents would most like to see implemented in the village. More details on the coverage of the baseline and follow-up survey can be found in Table 2.

## V.2. **Characteristics of Selection Procedures**

Table 3 presents information on the number of proposed and selected projects. Overall, a median of five projects were proposed and three selected, with hardly any variation in the number of proposed and selected projects between villages with different election or selection types or different election–selection combinations.

Information on the average number of votes received by projects selected by referenda is presented in Table 4. In consultation meeting villages formal voting did not take place and thus such data for these villages do not exist. Overall, the process appeared to be competitive and participatory. Across the full sample of referendum villages, selected projects received a median of 36 votes. The median number of votes cast for the selected projects by village men was higher than that of women (26 compared to 13), as is the case for the mean number of votes(41 for men and 29 for women). No significant differences are observed in the number of votes cast in villages that held different types of elections.

With regard to the levels of participation in the project selection process, consultation meetings were generally well attended, as shown in Table 5, with median attendance of about 113 villagers and 14 CDC members. As expected, participation of villagers in referenda was higher than in consultation meetings, with 213 villagers casting votes in the median village. In both consultation meetings and referenda there was no significant difference in participation between cluster and at-large villages. These results correspond well with the information gathered during the

[15] During the baseline the individual survey was administered only to the female elite because of the logistical constraints. During the follow-up survey potential panel data on individual responses of the female elite was sacrificed in order to measure attitudes of the ordinary female dwellers.

monitoring exercise. The monitoring results also indicate that the number of female villagers and CDC members attending consultation meetings was roughly similar to that of men.

## V.3. **Types of Projects**

***Preferred Projects***

Table 6 presents information on types of projects preferred by different groups of villagers from the baseline survey conducted before the intervention. We exclude from the analysis training courses for women, since all such projects were selected and prioritized as mandated female projects regardless of popular support. Drinking water preferences are a clear first choice among male and female villagers. These projects have especially high support in individual female surveys, reaching 40% of responses, which is not a surprise as women in rural Afghanistan tend to be the ones in charge of carrying water to the household. Schools and health facilities are supported by both male and female respondents, whereas irrigation projects (and partly roads and bridges) are supported primarily by male respondents, an anticipated preference as they are the ones who work the fields and have more freedom of movement. Preferences of the male elite are more evenly distributed across different types of projects as compared with other groups of respondents. Comparison of project preferences among the various subgroups of the male villager respondents indicates that villagers with higher assets and literate villagers are more likely to support schools. Literate villagers are also less likely to support drinking water projects. Villagers who attend local council meetings (*shura* meetings) and those who have relatives in the *shura* are in more likely to support electricity projects. In addition, villagers who attend *shura* meetings are more likely to support irrigation projects and less likely to support building health facilities. There are no significant differences in the preferences of the villagers who own land and those who do not.

Table 7 reports the correlation of preferences among different population groups. The correlation between preferences of females, male villagers, and elite members is rather low.

It is important to note that the correlation between preferences of elite members and male villagers is low for all the subgroups of male villagers, including literate, wealthy, and politically active villagers. This suggests that the difference in preferences of the elite versus ordinary male villagers is driven by things other than higher levels of human or social capital on the part of the elites.

***Proposed, Selected, and Prioritized Projects***

Figure 2 presents the information on the main types of proposed, selected, and prioritized projects. The most frequently proposed projects were roads and bridges, irrigation, drinking water, and electricity. Schools and health facilities, despite being preferred by relatively large numbers of respondents across the ten sample districts, were very rarely proposed, which is likely due to their high cost and also the government-imposed requirement that such project types be coordinated through the responsible ministries in order to avoid duplication of facilities.

Rank order of types of selected projects was largely comparable to those of proposed projects. Roads and bridges were the most frequently selected type of project, followed by drinking water, irrigation, and electricity.

Information on the types of prioritized projects (the projects selected to be the first implemented show electricity as the most prioritized project, followed by drinking water, irrigation, and roads and bridges. In general the ordering of the types of projects selected and prioritized is well-aligned. The notable deviation is that electricity projects were especially likely to be implemented first.

We present a comparison of the types of projects proposed, selected and prioritized (Table 8) in villages that were assigned different decision rules. No statistically significant differences are observed between the types of proposed or selected projects if we compare cluster and at-large villages or consultation meeting and referendum villages. Neither are there any significant differences in the types of proposed or selected projects between villages with different combinations of election and selection types.

For prioritized projects there is no statistically significant difference between villages assigned to different CDC election methods, but there is some difference in project prioritization between villages assigned to different project selection methods (chi-squared test rejects the hypothesis of the equality of distributions at the 10 percent level). Specifically, referendum villages were more likely than consultation meeting villages to prioritize electricity projects (the difference is significant at the 1% level). A comparison of villages with different election and selection combinations, offered in Table 10, indicates that the differences between consultation meeting and referendum villages in terms of project prioritization is driven by villages assigned to the cluster elections condition. (For the sub-sample assigned to cluster elections, chi-squared test rejects the hypotheses of the equality of distributions at the 5 percent level).

# VI. Results

The unit of analysis is the project type at the village level. To increase statistical power in the analysis we group 15 possible project types into five categories: 1) roads and bridges; 2) irrigation; 3) drinking water; 4) electricity; and 5) other. [19]

We construct measures of preferences based on the information from the baseline survey. The survey posed a hypothetical question in which respondents were asked to select, from a list of potential projects, the development projects they believed that the village most needed. Male and female focus group respondents were asked to identify only one project, while male head-of-household and female respondents during the individual surveys were asked to select and prioritize three projects. Since respondents in the female focus group were the same as in female individual questionnaire, in the analysis we use as the measure of female preferences only information from the female individual questionnaire, and check the results for robustness to using the information from the female focus group. To make the measures comparable we focus on the project that was named as the most important in the individual surveys. The measure accurately reflects preferences of the different groups as long as the preferences they expressed *ex ante* were truthful and do not change during the course of the intervention

Next, we construct village-level dummy variables to indicate the project most frequently cited as the most important by the respondents of the male head of household questionnaire (or by a specific subsample of the respondents as determined by levels of education, assets, or community participation); a project named as the most important in the male focus group; a project named as the most important in the female focus group; and a project named as the most important in the female individual questionnaire. These variables are used as respective measures of preferences of elite, male villagers, and females.

To measure the outcomes of the selection procedures we create three dependent dummy variables that indicate whether in a particular village a project of this type was proposed, selected, and prioritized (i.e. selected to be implemented first).

### *Effect of Selection Method*

To test for the effect of the selection method on the alignment of preferences and outcomes of the project selection we estimate a conditional fixed effects logit model. Denote $P_v$ the number of project types in village $v$ and $T_v$ the total number of types of projects selected in that village.

[19] The project types included in the "Other" category include; men's courses, health courses, health facilities, seeds, agricultural equipment, livestock, microfinance programs, communal toilet facilities, community centers.

Let $d_{vp}$ be a dummy variable and denote $S_v$ the set of all possible vectors $\boldsymbol{d}_v = \{d_{v1,\ldots,}d_{vP_v}\}$ such that $\sum_{p=1}^{P_v} d_{vp} = T_v$. To test the first hypothesis we estimate the following model:

$$Pr(\mathrm{Y}_{\boldsymbol{vp}} = 1|Pref_{pvg}, S_{iv}, \alpha_p, \beta_{\boldsymbol{ig}}) = \Lambda\left(\alpha_p + \sum_{i=1}^{2}\sum_{g=1}^{3} Pref_{pvg} \times S_{iv} \times \beta_{\boldsymbol{ig}}\right)$$

where $Y_{vp}$ is a dummy variable that indicates whether project of type *p* was selected or prioritized by the selection procedure in village *v*; $Pref_{pvg}$ is dummy variable that indicates whether project of type *p* was preferred by group $g \in \{Male\ Villagers; Male\ Elite;\ Females\}$ and $S_{iv}$ is a dummy variable which equals 1 if village $v$ selected projects using selection method $i \in \{Referendum; Consultation\ Meeting\}$ and 0 otherwise. To test whether there is a difference between different methods we test the hypothesis of the equality of $\beta_{ig}$ across values of *i*. Standard errors are clustered at the village level.

First, we examine the effect of the variation in project selection method on the alignment between the proposed, selected and prioritized projects and the projects which different groups of participants had named as their preferred projects during the baseline survey. Consistent with Hypothesis 1, in consultation meeting villages preferences of the elite are found to be a highly significant determinant of the choice of projects proposed, selected, and prioritized, whereas in referendum villages they have no bearing on the choice of projects.

Table 9 presents the results of this analysis. The results indicate that although preferences of the male villagers do not affect the choice of the proposed projects in either consultation meeting or referendum villages, they have a significant influence on the selection and prioritization of projects. There is no significant difference in the size of the effect between consultation meeting and referendum villages.

Women's preferences elicited in the individual survey have a marginally significant effect on the selection of projects in consultation meeting villages. But overall, the results suggest that female preferences have a limited and unsystematic effect on the choice of projects.

***Effect of Election Method***

To test for the effect of the election type we estimate a similar conditional fixed-effects logit:

$$Pr(\mathrm{Y}_{\boldsymbol{vp}} = 1|Pref_{pvg}, E_{iv}, \alpha_p, \beta_{\boldsymbol{ig}}) = \Lambda\left(\alpha_p + \sum_{i=1}^{2}\sum_{g=1}^{3} Pref_{pvg} \times E_{iv} \times \beta_{\boldsymbol{ig}}\right)$$

where $E_{iv}$ is a dummy variable which equals 1 if village $v$ selected projects using election type $i \in \{At-large; Cluster\}$ and 0 otherwise. To test whether there is a difference between different methods we test the hypothesis of the equality of $\beta_{ig_i}$ across values of *i*. Standard errors are clustered at the village level.[21]

Next we look at the effect of election method on the alignment between stated *ex ante* preferences of different groups of villagers and the choice of projects. The results of the estimation are reported in Table 10.

Preferences of the male elite, however, have a statistically significant effect on the choice of the proposed projects only in at-large villages, although the difference in the estimated influence of male elites between at-large villages cluster villages is only marginally significant. With regard to the selected and prioritized projects, elite preferences have only weak effects and only in at-large villages, although again the difference with the effect in cluster villages is not statistically significant.

As in the project selection context, preferences of male villagers do not have a statistically significant effect on the choice of proposed projects, but have an important effect on the choice of selected and prioritized projects. The effect is there irrespective of election method, be it at-large or cluster. Preferences of the female respondents have no significant effect on the choice of the proposed, selected and prioritized projects regardless of election type.

***Effect of Interaction of Election Type and Selection Method***

To test for the effect of the combination of the election type and selection method we estimate the following conditional fixed-effects logit:

$$Pr(\mathrm{Y}_{\boldsymbol{vp}} = \mathbf{1}|Pref_{pvg}, Comb_{iv}, \alpha_p, \beta_{\boldsymbol{ig}}) = \Lambda\left(\alpha_p + \sum_{i=1}^{2}\sum_{g=1}^{3} Pref_{pvg} \times Comb_{iv} \times \beta_{\boldsymbol{ig}}\right)$$

where $Comb_{iv}$ is a dummy variable which equals 1 if village $v$ selected projects using *i*-th combination of the election type and selection method and 0 otherwise. To test whether there is

[21] Election type is the randomly prescribed one. According to official documentation there were no sub-treatment violations. However, since the monitoring indicated that in some villages (a total of 18 out of 235 villages) the prescribed method of elections might have been violated, we estimate intention-to-treat (ITT) effects (Angrist et al, 1996) by using the prescribed treatment status, rather than what may have been the actual method of election. If indeed there have been violations in some of these cases, the use of ITT in this context would imply that we are underestimating the effects of at large elections.

a difference between different methods we test the hypothesis of the equality of the four coefficients $\beta_{ig}$ across values of *i*. Standard errors are clustered at the village level.

The results of the comparison of villages with different combination of election types and selection procedures are reported in Table 11. The results indicate that elite preferences have a significant impact on the choice of proposed, selected, and prioritized projects only in villages that combine consultation meetings with at-large elections. If we compare the effect of elite preferences on the choice of projects in villages that have consultation meetings, but which elect CDC members through at-large and cluster elections, the difference is significant at the 5% level or higher in all six regressions.

More nuanced analysis, looking at the effects of preferences by combination of election and selection methods for proposed projects only, as presented in Table 12, shows that male elites in villages with at large elections and consultation meetings play a role not only in the proposal stage of projects, but also in the prioritization stage, yielding their influence over what project gets implemented first. In most cases projects are implemented sequentially and on average there are 3 projects per village in addition to a female project. Thus, ordering of the projects has an important effect on the timing of their implementation, so project prioritization is of high imperative for those who want to reap benefits fast.

The effect of male villagers' preferences on the choice of proposed projects is not significant in any of the four combinations. However, the effect on the choice of selected and prioritized projects across combinations of election types and selection methods is always positive. Though it is somewhat different in terms of magnitude and statistical significance, we cannot reject the hypothesis that the effect is the same for all four combinations of election type and selection method. Female preferences have no systematic effect on the choice of projects either of the combinations of election types and selection procedures.

***Effect of Selection Method on Villager's Attitudes.***

To estimate villagers' attitudes toward village leaders and their perceptions of economic change we use the data from the follow up survey to compare the outcomes in villages that used different selection methods. Measures of attitudes are based on four questions: whether village leaders or council made any decisions that respondent disagreed with; whether respondent is satisfied with the work of village leaders over the past year; whether the respondent thinks that the economic situation of the household improved over the last year; and whether the

respondent attributes positive economic change to the efforts of village leaders. We concentrate on the perception of economic change rather than more objective measures because of a significant variation in the type of projects implemented in different villages, which makes it hard to come up with a unified objective measure of the benefits that villagers derive from the projects. We also focus on attitudes toward village elite rather than attitudes towards the projects themselves, since there is a concern that villagers may report high satisfaction with the projects in order not to undermine their chances of getting more aid money.

Based on these indicators we estimate the following OLS regression:

$$Y_{ijk}^{FU} = \alpha + \beta \cdot Referendum_{jk} + \delta_k + \varepsilon_{ijk}$$

where $Y_{ijk}^{FU}$ is a particular measure from the follow-up survey for respondent *i* in village *j* in district *k* and $Referendum_{jk}$ is a dummy variable that equals one if village *j* in district *k* was assigned to select projects through referendum and zero otherwise, and $\delta_k$ is a district fixed effect. Standard errors for the regressions are corrected for clustering at the village level.

To examine whether the effect of the selection method is different for villages that were using different election types, we also estimate the following model

$$Y_{ijk}^{FU} = \alpha + \beta \cdot Referendum_{jk} * AtLarge_{jk} + \gamma \cdot Referendum_{jk} * Cluster_{jk} + \delta_k + \varepsilon ijk$$

where $At - large_{jk}$ and $Cluster_{jk}$ are dummy variables that indicate whether village *j* in district *k* was assigned to use at-large or cluster elections respectively and $\delta_k$ is a district fixed effect. Standard errors for the regressions are corrected for clustering at the village level.

The results of the estimation are presented in **Error! Reference source not found.**. The results indicate that in referendum villages respondents are less likely to disagree with the decision of the villages leaders, although the effect is significant only for female respondents. There is no difference in the size of the effect between villages with at-large and cluster elections. Female respondents in referendum villages are also more likely to be satisfied with village leaders, whereas male respondents are more likely to attribute positive economic change to efforts of village leaders. In both cases the effect is significant only in villages that combine referendum with at-large elections, but the hypothesis that the magnitude of the effect is similar in cluster and at-large elections cannot be rejected. Male respondents in referendum villages are also more likely to think that their economic situation has improved over the last year, with no significant difference between villages with at-large and cluster elections. Perception of economic change for female respondents in referendum villages, however, is significantly higher only in villages

with at-large elections, with the difference between at-large and cluster villages being statistically significant.

Overall, the results indicate that in villages that were selecting projects through referendum, villagers have more positive attitudes towards village leaders and have more positive perception of economic change in the last year. There is also evidence that the effect is different in villages that were using different election types, with the effect being more positive in referendum villages that were electing CDC through at-large elections.

***Effect of Election Type on Villager's Attitudes.***

To compare the outcomes in villages that used different election types we estimate the following OLS regression:

$$Y_{ijk}^{FU} = \alpha + \beta \cdot At - large_{jk} + \delta_k + \varepsilon_{ijk}$$

where $Y_{ijk}^{FU}$ is a particular measure from the follow-up survey for respondent *i* in village *j* in district *k* and $At - large_{jk}$ is a dummy variable that equals one if village *j* in district *k* was assigned to elect CDC members through at-large elections and zero otherwise, and $\delta_k$ is a district fixed effect. Standard errors for the regressions are corrected for clustering at the village level.

To examine whether the effect of the selection method is different for villages that were using different election types, we also estimate the following model

$$Y_{ijk}^{FU} = \alpha + \beta \cdot At - large_{jk} \cdot Referendum_{jk} + \gamma \cdot At - large_{jk} \cdot Meeting_{jk} + \delta_k + \varepsilon ijk$$

where $Referendum_{jk}$ and $Meeting_{jk}$ are dummy variables that indicate whether village *j* in district *k* was assigned to use referendum or consultation meeting respectively to select projects and $\delta_k$ is a district fixed effect. Standard errors for the regressions are corrected for clustering at the village level.

. The results indicate that females are more likely to disagree with village leaders in at-large villages, but only if the projects were selected through the consultation meeting procedure (see in Error! Reference source not found.). Satisfaction with the village leaders on average in at-large villages is not different from cluster villages, but for female respondents there is a significant difference between villages that combined at-large elections with different methods of projects selections, with satisfaction being higher in referendum villages. Similarly, attribution of

economic change to efforts of village leaders among male respondents is not different on average between at-large and cluster villages, but is significantly higher for those at-large villages that used referendum, as compared with those at-large villages that used consultation meeting. For female respondents, the attribution of economic change to efforts of village leaders is on average higher for at-large villages, but the effect is also driven primarily by the villages that combine at-large elections with referendum over the choice of projects. There is no difference in the share of male respondents who think that their economic situation has improved over the last year between at-large and cluster villages regardless of the method of projects selection, but for female respondents in at-large villages, however, perception of economic change is significantly higher and the effect is again driven primarily by the villages that combine at-large elections with referendum over the choice of projects.

Overall, there is evidence that attitudes towards village leaders and perception of economic change by females is more positive in villages with at-large elections, although there results are driven by villages that combined at-large elections with selection of projects through referendum. For both males and females the attitudes and perceptions are more positive for at-large villages that used referendum to select projects as compared with at-large villages that used consultation meeting.

***Effect of Elite Capture on Villager's Attitudes.***

To estimate directly how elite capture affects villager's attitudes we examine attitudes in those villages in which the prioritized project was preferred by village elite, but not by ordinary villagers. We estimate the following regression:

$$Y_{ijk}^{FU} = \alpha + \beta \cdot Elite\_Capture_{jk} + \delta_k + \varepsilon_{ijk}$$

where $Elite\_Capture_{jk}$ is a dummy variable that equals one if prioritized project in village *j* in district *k* was preferred by the elite, but not by ordinary villagers and zero in all other cases, $Y_{ijk}^{FU}$ is the same measure as used above, $\delta_k$ is a district fixed effect. Standard errors for the regressions are corrected for clustering at the village level.

Since elite capture, defined as a choice of the project preferred only by the elite, is endogenous to preexisting power balance in the village which is likely to affect the outcome variables regardless of the choice of the projects, we use an instrumental variables approach to isolate the causal effect of elite capture on villagers' attitudes. As an instrument for elite capture we use a dummy variable for villages that were assigned to have at-large elections of CDC combined with

selection of projects through a consultation meeting. The instrument is chosen based on the results described above which indicate that combination of at-large elections with consultation meeting results in the highest level of influence of the elite on the project selection. Random assignment of the election and selection mechanisms ensures, that the results are not affected by the difference in underlying characteristics of the villages in which elite capture takes place. Note, however, that the results will be biased if the combination of election and selection methods affects attitudes of the villagers not only by increasing the likelihood of the elite capture, but through other mechanisms. Thus, these results should be considered only as a suggestive evidence regarding the effect of elite capture.

The results reported in Error! Reference source not found. indicate that elite capture has only a weak effect on villagers' attitudes. In simple OLS regressions elite capture is associated with higher rates of disagreement of male respondents with village leaders and lower share of male respondents who think that their economic situation has improved. In instrumental variable regressions both effects become insignificant , but in both cases the coefficient in IV regressions is larger in magnitude than in OLS regressions, so that the results lose their significance because the standard errors increase even more.

## VII. Discussion of Results

Our analysis indicates that on average the influence that male elites have over the selection of projects depends on the selection method, but not on the election type. Consistent with Hypothesis 1 in consultation villages, preferences of male elites have a significant influence over the type of proposed, selected, and prioritized projects, whereas in referendum villages this influence is not significant. With regard to the election type on average there is no difference between villages with at-large and cluster elections. However, consistent with Hypothesis 2, there is an important interaction between election type and selection method, with election type influencing elite control only in villages that were selecting projects through consultation meeting. More specifically, elite preferences have a significant influence on the choice of projects in consultation meetings only in villages with at-large elections. These results suggest that at-large elections resulted in councils that are more amenable to the preferences of the elite. In referendum villages this does not affect the choice of projects, as the influence of councils is highly curtailed by the village-wide secret vote, but in consultation meetings this leads to stronger influence of elite preferences on the choice of projects, which is consistent with Hypothesis 3.

The result that elites have greater influence over the choice of projects in consultation meetings is consistent with Humphreys et al (2006), who find that preferences of discussion leaders have a significant effect on the outcomes of deliberative meetings. Results of the monitoring indicate that CDC members played the role of discussion leaders in consultation meetings and had a significant influence over the choice of projects.[23] Approximately half of the CDC members expressed their opinion during the meeting, whereas only one out of eight male villagers and one out of twenty female villagers spoke out. At the same time, results of Beath, Christia, and Enikolopov (2011b) indicate that more than a quarter of male CDC members were identified as village leaders before the elections. Note that the difference is not driven by the ability of the CDC members to manipulate the list of projects after the end of the meeting, since monitoring results indicated, that the final list of projects accurately reflected the outcomes of the meeting. Combined, this evidence suggests that a significant portion of the interviewed village leaders served as discussion leaders, which enabled them to influence the outcomes of the consultation meetings.

A comparison of similar selection methods in Indonesia showed almost no effects on the selection of projects (Olken , 2010). There are several potential explanations for the difference in the results. The very basic one could be contextual differences: either the potentially divergent nature of the community driven development programs or the different local realities in Indonesia versus Afghanistan. Another reason could just be the increase in the sample size—from 49 villages in Indonesia to 235 in our study—which might have led to more precise estimates that indicated a significant effect of the selection method on the choice of projects. Yet a third could be attributed to differences in the agenda setting mechanisms in the two settings, with councils playing a more important role in our setting than the Indonesian one. In Indonesia in some villages the agenda was fixed before and in some after the announcement of the randomization but the results were not affected by the endogenous agenda setting. In our case the CDCs were the ones setting the agenda and did so after the results of randomization were announced, i.e. after the method of selection was already known, rendering the agenda setting process endogenous to the selection method.

It is important to note that the existing works use a different definition of elites. In Labonne and Chase (2009) and Olken (2010) elites are the individuals who oversee the project selection process. In our context, that would mean equating the elites with members of the CDC. Rather, we consider as elites people who were identified as village leaders before the introduction of

[23] In 98 percent of cases, monitors reported that CDC members had the most influence in the selection of sub-projects during the consultation meetings.

CDCs. It would be problematic to equate elites with members of the CDC as in the context of Afghanistan there is a complex set of traditional local pre-existing elite structures that go beyond the mandates of the CDC. In our case people can affect project selection either directly, i.e. by getting elected to the CDC (which would be the same context as Labonne and Chase (2009) and Olken (2010)) or indirectly, i.e. by influencing those that get elected to the CDC.

With regard to the composition of CDCs elected under different election types the results in Beath, Christia, and Enikolopov (2011b) indicate that election type does not affect the chances of elite members to be elected to CDC. Thus, there is no evidence that elites affect the selection of the projects directly, by getting elected to the CDC. However, there is evidence that candidates elected under at-large elections are, on average, better educated with larger share of CDC members having completed high school. The latter effect can lead to better alignment between preferences of the council and preferences of the elite, if the preferences of the elite are better aligned with preferences of a certain subsection of the village population (e.g. those who have better education etc.). However, as indicated in**Error! Reference source not found.**, there is no evidence that the correlation between the preferences of the elite and a certain subsection of male villagers is stronger. Thus, there is no clear evidence that at-large elections affect the composition of the CDC in a way that makes the preferences of CDC members more aligned with the preferences of the village elite.

An indirect influence of the elite on the choice of the projects presumes that CDC members elected through at-large elections are more susceptible to the influence of the elite, e.g. because more educated people can better understand the arguments of the elite members in support of their preferred projects. Note that elites and educated individuals (as measured by literacy) do not simply have more similar stated *ex ante* preferences – in fact, they have among the lowest levels of agreement (Error! Reference source not found.).

Another possibility is that cluster elections result in higher levels of accountability of council members, which in turn limits the influence of the elites. In cluster elections each representative has a well-defined constituency, which might strengthen the link between representatives and villagers and hence limit the influence of the elite on representatives. Note, however, that this effect is not necessarily driven by reelection concerns, as there is no clear timeline for future CDC elections. Instead, CDC representatives elected by cluster could be more accountable to their constituents because they have closer familial or economic relations to them or simply because they interact with them more often.

Overall, the results suggest that councils elected through an at-large procedure are more amenable to the preferences of elite members. In that context, if the projects are selected through a referendum, this does not affect the choice of the projects, since the role of the councils is overshadowed by the village-wide secret vote. However, if the projects are selected in consultation meetings, in which members of the council have a prominent role as facilitators, this leads to greater influence of the elite on the choice of projects. Indeed, in the context of at large elections combined with consultation meetings, not only do elites have a strong and clear effect on what projects get proposed, they also have an effect on which project gets prioritized.

Analysis of the villagers' attitudes toward village leaders and their perceptions of economic change indicate that the combination of the at-large elections with consultation meeting, which is most conducive to elite capture, does make villagers disagree more often with the decisions of the leaders, but does not affect measures of villagers' satisfaction with their leaders. The same results hold if we consider only the cases in which the elite overrode the preferences of the villagers and prioritized projects that were preferred only by the elite and not by the villagers. Thus, it seems that despite their initial disagreement with the choice made by the elite, in the end villagers seem to be completely satisfied with the outcome, which is inconsistent with Hypothesis 4.

Villagers' attitudes are significantly more positive in referendum villages, which is consistent with findings in Olken (2010). More specifically, the results suggest that the attitudes of the villagers are most positive in villages that combine at-large elections with referendum. These results can be explained by the differences in the composition of the councils. Election of council members with higher human capital in at-large villages (Beath et al, 2010) may not only make preferences of the council be more aligned with the preferences of the elite, but can also result in better managerial abilities of the council members. In villages that combine at-large elections with referendum the projects are chosen according to the preferences of the villagers, so that the first effect does not manifest itself. At the implementation stage, however, the second effect can lead to faster and better implementation of the projects, which are reflected in higher satisfaction of the villagers. Indeed, there is some evidence that the implementation of the projects goes faster in at-large villages (Beath et al, 2010).

We should keep in mind however, that the results on attitudes of the villagers are based on subjective assessments of the villagers and, thus, can be subject to biases inherent in survey responses (e.g. Bertrand and Mullainathan, 2001). In particular, villagers can report high level of satisfaction if the elites convinced the people of the utility of the project; if the people were

happy to get something, even if it is not their first choice; or if the people, in order not to undermine their chances of getting more aid money. However, since we focus on the satisfaction of the villagers with local leaders, rather than the projects, we expect such effects to be minor.

The findings also reveal the predominance of male preferences over female ones in the choice of projects. The preferences of women seems to have no systematic effect on the choice of projects regardless of election type and project selection method. Since the number of women who participated in the referendum is substantial, this suggests that even in the context of secret voting, women were casting their votes for projects that were preferred by males.

Another party that plays an important role in the process and might affect the choice of the projects is the NGO that works as an implementing partner in the village. NGOs are mandated to encourage communities to express their preferences and see them realized in projects. They are expressly instructed not to interfere in this process in ways that may divert the project from actual community preferences. Nevertheless, NGOs may have preferences over the type of projects they want to see selected which—depending on method of selection—may in turn have a different effect on the resulting choice. Unfortunately, we cannot examine this effect directly in the empirical analysis, since we do not have information on the preferences of NGOs and we cannot separate the effect of NGOs from district-level effects. However, even if NGOs have preferences over certain types of projects, so long as these preferences are independent of the preferences of the villagers or elites (which we believe is reasonable to presume as NGO preferences may stem from their particular expertise in implementing certain projects, or because some projects are easier to implement than others etc.) then this should not affect the results of our estimation, unless certain methods of election or selection methods make it easier for the NGOs to exhort their influence.

## VIII. Conclusion

This paper presents findings of an experiment to test the impact of two different procedures for project selection—consultation meeting and referendum—and two different election methods—cluster and at-large—on the types of projects proposed, selected, and prioritized for implementation under a community-driven development program in Afghanistan. Each of the 250 sample villages was independently and randomly assigned one of the two selection methods and one of the two election procedures, thereby enabling an examination of the impact of each selection and election type and different combinations of both on project selection outcomes.

Analysis of the alignment of *ex-ante* preferences with project selection results indicates that non-elite male villagers have a substantial influence on the choice of projects regardless of local governance decision rules pertaining to election type or project selection procedure, whereas women have no systematic effect on the choice of projects regardless of the decision rules. The influence of male village elites, on the other hand, is significantly influenced by the combination of the election and selection methods, with the preferences of such elites coinciding much more frequently with the types of selected and prioritized projects in villages that combined consultation meetings with at-large elections. In referendum villages this does not affect the choice of projects, since councils do not have sufficient power to yield such influence, but in consultation meeting villages this leads to stronger influence of elite preferences on the choice of projects. Their influence is manifest both at the project proposal and the project prioritization stage.

At the same time, we find that elite control over the choice of the projects does not translate into more negative attitudes toward village leaders or more negative perception of economic change. Thus, elite control over the choice of the projects cannot be unambiguously interpreted as misappropriation of common resources by the elite, since there is no evidence that the benefits that accrue to the ordinary villagers are smaller in the case of elite control. However, there is evidence that the highest level of villagers' satisfaction is achieved in villages that combine at-large elections -- which result in electing the candidates with higher human capital --with the selection of projects through referenda. Potential explanation for these results is that using referenda prevents elite control over the choice of the projects, whereas at-large elections bring more educated candidates to the council, which makes the implementation of the selected projects more efficient. An alternative explanation is that because of the differences in procedures perceived control of the villagers over the choice of the council members and projects is higher under at-large elections and referendum, which increases villagers' satisfaction even if the decisions themselves do not change.

Overall, the results indicate that such local governance decision rules as electoral type and the method of selection of development projects do actually have a causal effect on the incidence of elite capture. Thus, the results provide evidence that *de jure* political institutions have an influence over important political and economic outcomes, so that adjustments in *de facto* political power that may occur do not fully offset these differences (Acemoglu and Robinson, 2008). However, it is important to note that we are examining only the short-run effects of the introduction of new

formal political institutions, so we cannot reject the possibility that over time changes in *de facto* political power will completely offset the differences in *de jure* political power.

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**Table 1: Balance of Pre-treatment Covariates**

| | Cluster | At-large | Standardized Difference | Consultation Meeting | Referendum | Standardized Difference |
|---|---|---|---|---|---|---|
| How many households are in this village in total? | 108 | 108 | 0.00 | 102 | 113 | 0.12 |
| How many people live in this household in total? | 9.57 | 10.02 | 0.09 | 9.73 | 9.85 | 0.02 |
| Age | 44.03 | 43.65 | 0.03 | 44.04 | 43.64 | 0.03 |
| Do not have formal education | 0.73 | 0.69 | 0.09 | 0.71 | 0.71 | 0.00 |
| Mother tongue is Dari | 0.72 | 0.69 | 0.05 | 0.71 | 0.70 | 0.04 |
| Never or rarely have problems supplying food | 0.43 | 0.47 | 0.09 | 0.45 | 0.45 | 0.02 |
| Main source of drinking water is unprotect spring | 0.28 | 0.26 | 0.03 | 0.28 | 0.26 | 0.03 |
| Have access to electricity | 0.14 | 0.15 | 0.04 | 0.17 | 0.13 | 0.11 |
| Male health-worker available | 0.14 | 0.11 | 0.09 | 0.12 | 0.12 | 0.00 |
| Female health-worker available | 0.12 | 0.08 | 0.13 | 0.09 | 0.10 | 0.04 |
| Have a mobile phone | 0.19 | 0.17 | 0.05 | 0.17 | 0.19 | 0.06 |
| Have a radio | 0.74 | 0.76 | 0.05 | 0.77 | 0.74 | 0.07 |
| Have sheep | 0.56 | 0.55 | 0.02 | 0.56 | 0.54 | 0.05 |
| Total expenditure for food in the last 30 days (AFA) | 3524 | 3600 | 0.04 | 3512 | 3612 | 0.05 |
| Received a loan | 0.48 | 0.46 | 0.05 | 0.46 | 0.48 | 0.03 |
| People should pay taxes | 0.41 | 0.40 | 0.02 | 0.37 | 0.43 | 0.13 |
| Most preferred project is drinking water | 0.30 | 0.28 | 0.05 | 0.30 | 0.29 | 0.03 |
| Most preferred project is school | 0.18 | 0.16 | 0.08 | 0.16 | 0.18 | 0.06 |
| Most preferred project is road or bridge | 0.12 | 0.16 | 0.12 | 0.13 | 0.14 | 0.04 |
| Attended shura meetings | 0.33 | 0.31 | 0.05 | 0.32 | 0.32 | 0.02 |
| Women own private land | 0.30 | 0.31 | 0.02 | 0.32 | 0.28 | 0.09 |

**Table 2: Composition and coverage of the surveys.**

| | Baseline Survey (September 2008) | Follow –up Survey (May -October 2009) |
|---|---|---|
| Male Head-of-Household Questionnaire | 4,895 in 500 villages | 4,666 in 474 villages |
| Male Focus Group Questionnaire | 5,334 participants in 500 villages | 3,197 in 469 villages |
| Female Focus Group Questionnaire | 3,670 participants in 406 villages | 2,792 in 424 villages |
| Female Household Questionnaire | Not Conducted | 4,234 in 431 villages |
| Female Individual Questionnaire | 3,398 in 406 villages | Not Conducted |

**Table 3: Number of Proposed and Selected Projects**

| | Proposed Projects | | | | Selected Projects | | | |
|---|---|---|---|---|---|---|---|---|
| | Obs | Mean | Med. | Std. Dev. | Obs | Mean | Med. | Std. Dev. |
| Total | 235 | 5 | 5 | 1.9 | 234 | 2.7 | 3 | 1.3 |
| Cluster Election | 118 | 5.1 | 5 | 1.9 | 118 | 2.7 | 3 | 1.2 |
| At-Large Election | 117 | 5 | 5 | 2 | 116 | 2.8 | 3 | 1.4 |
| Consultation Meeting | 119 | 5 | 5 | 1.8 | 119 | 2.6 | 3 | 1.2 |
| Referendum | 116 | 5.1 | 5 | 2 | 115 | 2.9 | 3 | 1.5 |
| Cluster and Meeting | 59 | 4.9 | 5 | 1.8 | 59 | 2.6 | 2 | 1.1 |
| Cluster and Referendum | 59 | 5.4 | 5 | 2 | 59 | 2.8 | 3 | 1.3 |
| At-Large and Meeting | 60 | 5 | 5 | 1.9 | 60 | 2.6 | 3 | 1.2 |
| At-Large and Referendum | 57 | 4.9 | 5 | 2 | 56 | 3 | 3 | 1.6 |

**Table 4: Number of Votes in Referendum**

| | Total Votes | | | | Male Votes | | | Female Votes | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | N | Mean | Med. | Std. Dev. | Mean | Med. | Std.Dev. | Mean | Med. | Std.Dev. |
| | Selected Projects | | | | | | | | | |
| Total | 330 | 64.1 | 36 | 76.9 | 40.5 | 26 | 50.3 | 28.9 | 13 | 43.4 |
| Cluster | 166 | 64.9 | 43.5 | 66 | 40.6 | 28 | 46.1 | 30 | 16.5 | 34.5 |
| At-large | 164 | 63.3 | 32 | 86.9 | 40.3 | 25 | 54.3 | 27.8 | 9 | 50.7 |
| | Projects Not Selected | | | | | | | | | |
| Total | 269 | 16.3 | 5 | 34.6 | 9.7 | 3 | 17.9 | 7.2 | 0 | 18.7 |
| Cluster | 154 | 15.1 | 4 | 35.1 | 9.1 | 2.5 | 18 | 6.8 | 0 | 19.6 |
| At-large | 115 | 17.9 | 6 | 34 | 10.5 | 3 | 17.9 | 7.7 | 0 | 17.7 |

*Notes:* Differences between means for election types are not statistically significant at 10% level.

**Table 5: Participation**

| | Villagers | | | | CDC Members | | | |
|---|---|---|---|---|---|---|---|---|
| | N. | Mean | Med. | Std. Dev. | N. | Mean | Med. | Std. Dev. |
| | Consultation Meeting | | | | | | | |
| Total | 107 | 149.8 | 113 | 132.2 | 116 | 15.6 | 14 | 7.0 |
| Cluster Election | 54 | 141.3 | 105 | 111.6 | 57 | 16.2 | 14 | 7.3 |
| At-Large Election | 53 | 158.4 | 121 | 151.0 | 59 | 14.9 | 12 | 6.7 |
| | Referendum | | | | | | | |
| Total | 116 | 251.2 | 213 | 161.7 | | | | |
| Cluster Election | 60 | 248.6 | 210 | 153.5 | | | | |
| At-Large Election | 56 | 254.1 | 223 | 171.5 | | | | |

*Notes:* Differences between means for election types are not statistically significant at 10% level.

**Table 6: Preferences over Projects (in percentages)**

| | Full Sample | | | Male Heads of Household Subsamples | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Female Individual | Male Focus Group | Male Heads of Household | Low Asset | High Asset | Does not attend shura meetings | Attends shura meetings | No relatives in shura | Relatives in shura | Illiterate | Literate | Does not own land | Owns Land |
| Drinking water | 40.1 | 14.0 | 29.8 | 29.6 | 30.0 | 28.5 | 26.6 | 28.2 | 26.8 | 32.0*** | 24.4*** | 28.4 | 30.5 |
| Irrigation | 2.7 | 14.8 | 13.7 | 13.2 | 14.0 | 12.4*** | 16.2*** | 14.0 | 13.1 | 13.1 | 15.0 | 13.8 | 13.7 |
| Schools | 14.7 | 13.6 | 15.9 | 14.4** | 16.9** | 16.4 | 17.5 | 17.1 | 15.5 | 14.7*** | 18.5*** | 14.6 | 16.5 |
| Health facilities | 16.3 | 12.3 | 13.7 | 14.5 | 13.1 | 15.6** | 12.8** | 14.8 | 12.9 | 13.8 | 13.4 | 14.6 | 13.1 |
| Roads and bridges | 6.2 | 12.6 | 14.0 | 15.0 | 13.4 | 14.2 | 13.3 | 13.8 | 14.6 | 13.6 | 15.3 | 14.1 | 14.1 |
| Electricity | 6.9 | 10.7 | 6.3 | 6.6 | 6.1 | 5.7** | 8.0** | 5.5*** | 10.1*** | 6.1 | 6.6 | 5.9 | 6.5 |
| Other | 13.1 | 22.0 | 6.7 | 6.8 | 6.5 | 7.2 | 5.7 | 6.6 | 7.0 | 6.6 | 6.7 | 8.6 | 5.6 |
| Observations | 3402 | 3984 | 4978 | 2139 | 2828 | 2807 | 1529 | 3492 | 921 | 3556 | 1376 | 1649 | 3218 |

*Notes:* The test compares the means of the two related sub-groups of male heads of household subsamples. * - significant at 10% level, ** significant at 5%, and *** significant at 1%

**Table 7: Correlation of Preferences among Different Groups of Villagers**

| | Male Individual | Elite | Female individual | Female focus group | No relatives in shura | Relatives in shura | Does not attend shura meetings | Attends shura meetings | Illiterate | Literate | Low assets | High Assets | Does not own land |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Full sample | | | | Subgroups of Male Individual | | | | | | | | |
| Elite | 0.23 | | | | | | | | | | | | |
| Female individual | 0.27 | 0.13 | | | | | | | | | | | |
| Female focus group | 0.26 | 0.17 | 0.30 | | | | | | | | | | |
| *Subgroups of Male Individual* | | | | | | | | | | | | | |
| No relatives in shura | 0.89 | 0.23 | 0.26 | 0.24 | | | | | | | | | |
| Relatives in shura | 0.59 | 0.25 | 0.26 | 0.22 | 0.47 | | | | | | | | |
| Does not attend shura meetings | 0.76 | 0.23 | 0.29 | 0.25 | 0.82 | 0.48 | | | | | | | |
| Attends shura meetings | 0.66 | 0.24 | 0.23 | 0.20 | 0.58 | 0.78 | 0.46 | | | | | | |
| Illiterate | 0.83 | 0.22 | 0.30 | 0.24 | 0.83 | 0.54 | 0.73 | 0.60 | | | | | |
| Literate | 0.61 | 0.21 | 0.23 | 0.18 | 0.56 | 0.53 | 0.53 | 0.54 | 0.43 | | | | |
| Low assets | 0.64 | 0.26 | 0.30 | 0.23 | 0.61 | 0.51 | 0.61 | 0.52 | 0.65 | 0.46 | | | |
| High Assets | 0.76 | 0.21 | 0.23 | 0.24 | 0.75 | 0.56 | 0.67 | 0.63 | 0.68 | 0.61 | 0.43 | | |
| Does not own land | 0.66 | 0.22 | 0.26 | 0.21 | 0.60 | 0.49 | 0.58 | 0.54 | 0.64 | 0.49 | 0.57 | 0.58 | |
| Owns land | 0.78 | 0.24 | 0.27 | 0.25 | 0.76 | 0.57 | 0.71 | 0.61 | 0.72 | 0.56 | 0.61 | 0.69 | 0.43 |

**Table 8: Projects by Election and Project Selection Methods Separately and in Combination (in percentages)**

| Panel A | Proposed projects | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Election Type | | Project Selection Type | | Combination of Election and Project Selection Types | | | |
| | Cluster | At-Large | Meeting | Referendum | Cluster and Meeting | Cluster and Referendum | At-Large and Meeting | At-Large and Referendum |
| Drinking Water | 19.5 | 19.4 | 19.7 | 19.3 | 19.0 | 20.0 | 20.3 | 19.5 |
| Irrigation | 18.2 | 22.1 | 21.0 | 19.3 | 20.4 | 16.2 | 21.6 | 18.2 |
| Roads and Bridges | 29.0 | 27.3 | 28.0 | 28.3 | 27.7 | 30.2 | 28.2 | 29.0 |
| Electricity | 17.1 | 18.0 | 17.1 | 17.9 | 18.0 | 16.2 | 16.3 | 17.1 |
| Other | 16.4 | 13.3 | 14.2 | 15.4 | 14.9 | 17.5 | 13.6 | 16.4 |
| Total | 604 | 583 | 590 | 597 | 289 | 315 | 301 | 604 |
| p-value for chi-squared test of the equality of distributions | 0.73 | | 0.40 | | 0.71 | | | |
| Panel B | Selected projects | | | | | | | |
| | Election Type | | Project Selection Type | | Combination of Election and Project Selection Types | | | |
| | Cluster | At-Large | Meeting | Referendum | Cluster and Meeting | Cluster and Referendum | At-Large and Meeting | At-Large and Referendum |
| Drinking Water | 25.4 | 25.2 | 27.2 | 23.6 | 26.6 | 24.2 | 27.7 | 22.9 |
| Irrigation | 17.9 | 21.2 | 20.7 | 18.4 | 20.8 | 15.2 | 20.7 | 21.7 |
| Roads and Bridges | 28.8 | 29.0 | 28.5 | 29.3 | 27.3 | 30.3 | 29.7 | 28.3 |
| Electricity | 19.4 | 17.5 | 16.5 | 20.2 | 18.2 | 20.6 | 14.8 | 19.9 |
| Other | 8.4 | 7.2 | 7.0 | 8.4 | 7.3 | 9.6 | 7.2 | 7.2 |
| Total | 319 | 321 | 309 | 331 | 154 | 165 | 155 | 166 |
| p-value for chi-squared test of the equality of distributions | 0.85 | | 0.69 | | 0.93 | | | |
| Panel C | Prioritized projects | | | | | | | |
| | Election Type | | Project Selection Type | | Combination of Election and Project Selection Types | | | |
| | Cluster | At-Large | Meeting | Referendum | Cluster and Meeting | Cluster and Referendum | At-Large and Meeting | At-Large and Referendum |
| Drinking Water | 27.2 | 23.5 | 29.9 | 20.5 | 35.1 | 19.3 | 25.0 | 21.8 |
| Irrigation | 18.4 | 25.2 | 25.6 | 17.9 | 24.6 | 12.3 | 26.7 | 23.6 |
| Roads and Bridges | 21.9 | 20.9 | 22.2 | 20.5 | 21.1 | 22.8 | 23.3 | 18.2 |
| Electricity | 28.1 | 27.8 | 18.8 | 37.5 | 15.8 | 40.4 | 21.7 | 34.6 |
| Other | 4.4 | 2.6 | 3.5 | 3.6 | 3.6 | 5.3 | 3.4 | 1.8 |
| Total | 114 | 115 | 117 | 112 | 57 | 57 | 60 | 55 |
| p-value for chi-squared test of the equality of distributions | 0.57 | | 0.06 | | 0.32 | | | |

## Table 9: Effect of Preferences by Selection Method.

| Instrument | Selection Method | Proposal (1) | Selection (2) | Prioritization (3) |
|---|---|---|---|---|
| Male Household | Consultation Meeting | -0.33 | 0.66 | 0.55 |
| | | [0.28] | [0.24]** | [0.25]* |
| | Referendum | 0.26 | 0.85 | 0.72 |
| | | [0.24] | [0.26]** | [0.26]** |
| t-Stat of Difference btw. Types | | [1.61] | [0.55] | [0.49] |
| Male Focus Group | Consultation Meeting | 0.91 | 0.53 | 0.66 |
| | | [0.33]** | [0.25]* | [0.26]* |
| | Referendum | 0.22 | -0.08 | -0.12 |
| | | [0.29] | [0.24] | [0.26] |
| t-Stat of Difference btw. Types | | [1.60] | [1.78]* | [2.17]** |
| Female Individual | Consultation Meeting | 0.05 | 0.46 | 0.41 |
| | | [0.29] | [0.24] | [0.28] |
| | Referendum | 0.14 | 0.14 | -0.30 |
| | | [0.26] | [0.24] | [0.29] |
| t-Stat of Difference btw. Types | | [0.22] | [0.96] | [1.88] |
| Project Type Fixed Effects | | Yes | Yes | Yes |
| Number of Observations | | 880 | 1,130 | 1,140 |

*Notes:* Results of conditional fixed-effect logit regressions. The unity of observation is project type-village. Dependent variable is a dummy that equals one if a project of a particular type was proposed, selected, or prioritized. Each row corresponds to an interaction between the dummy variable for the selection method and a dummy variable that equals one if the project of a particular type was preferred by a specific group of villagers. Robust standard errors clustered at the village level in parenthesis. * - significant at 10% level, ** significant at 5%, and *** significant at 1%.

## Table 10: Effect of Preferences by Election Type.

| Election Type | Instrument | Proposal (1) | Selection (2) | Prioritization (3) |
|---|---|---|---|---|
| Male Household | Cluster | 0.11 | 1.00 | 0.58 |
| | | [0.27] | [0.26]*** | [0.27]** |
| | At-Large | -0.20 | 0.48 | 0.68 |
| | | [0.25] | [0.24]** | [0.24]*** |
| t-Stat of Difference btw. Types | | [0.61] | [1.39] | [0.12] |
| Male Focus Group | Cluster | 0.25 | 0.08 | 0.17 |
| | | [0.33] | [0.22] | [0.25] |
| | At-Large | 0.85 | 0.40 | 0.41 |
| | | [0.31]*** | [0.26] | [0.26] |
| t-Stat of Difference btw. Types | | [1.57] | [1.01] | [0.67] |
| Female Individual | Cluster | 0.12 | 0.34 | 0.09 |
| | | [0.27] | [0.24] | [0.29] |
| | At-Large | 0.08 | 0.26 | 0.04 |
| | | [0.27] | [0.24] | [0.26] |
| *t*-Stat of Diff. btw. Types | | | | |
| Project Type Fixed Effects | | Yes | Yes | Yes |
| Number of Observations | | 880 | 1,130 | 1,140 |

*Notes:* Results of conditional fixed-effect logit regressions. The unity of observation is project type-village. Dependent variable is a dummy that equals one if a project of a particular type was proposed, selected, or prioritized. Each row corresponds to an interaction between dummy variable for the election type and a dummy variable that equals one if the project of a particular type was preferred by a specific group of villagers. Robust standard errors clustered at the village level in parenthesis. * - significant at 10% level, ** significant at 5%, and *** significant at 1%.

**Table 11: Effect of Preferences by Combination of Election Type and Selection Method.**

| Combination | Instrument | Proposal (1) | Selection (2) | Prioritization (3) |
|---|---|---|---|---|
| Male Household | Cluster and Cons. Meeting | -0.22 | 0.83 | 0.55 |
| | | [0.40] | [0.35]** | [0.36] |
| | Cluster and Referendum | 0.51 | 1.24 | 0.66 |
| | | [0.34] | [0.36]*** | [0.38]* |
| | At-Large and Cons. Meeting | -0.52 | 0.45 | 0.49 |
| | | [0.39] | [0.32] | [0.34] |
| | At-Large and Referendum | 0.05 | 0.50 | 0.79 |
| | | [0.33] | [0.36] | [0.35]** |
| p-value for equality of coeff. | | 0.57 | 0.52 | 0.89 |
| Male Focus Group | Cluster and Cons. Meeting | 0.43 | 0.09 | 0.20 |
| | | [0.47] | [0.34] | [0.37] |
| | Cluster and Referendum | 0.01 | 0.12 | 0.26 |
| | | [0.43] | [0.29] | [0.32] |
| | At-Large and Cons. Meeting | 1.42 | 0.95 | 1.09 |
| | | [0.42]*** | [0.35]*** | [0.36]*** |
| | At-Large and Referendum | 0.36 | -0.31 | -0.56 |
| | | [0.40] | [0.40] | [0.42] |
| p-value for equality of coeff. | | 0.06 | 0.09 | 0.03 |
| Female Individual | Cluster and Cons. Meeting | 0.01 | 0.57 | 0.51 |
| | | [0.39] | [0.33]* | [0.38] |
| | Cluster and Referendum | 0.28 | 0.04 | -0.41 |
| | | [0.37] | [0.33] | [0.43] |
| | At-Large and Cons. Meeting | 0.15 | 0.33 | 0.25 |
| | | [0.42] | [0.34] | [0.36] |
| | At-Large and Referendum | 0.05 | 0.15 | -0.28 |
| | | [0.36] | [0.35] | [0.39] |
| p-value for equality of coeff. | | 0.96 | 0.68 | 0.26 |
| Project Type Fixed Effects | | Yes | Yes | Yes |
| Number of Observations | | 880 | 1,130 | 1,140 |

*Notes:* Results of conditional fixed-effect logit regressions. The unity of observation is project type-village. Dependent variable is a dummy that equals one if a project of a particular type was proposed, selected, or prioritized. Each row corresponds to an interaction between dummy variable for the election type and a dummy variable that equals one if the project of a particular type was preferred by a specific group of villagers. Robust t-statistics clustered at the village level in parenthesis. * - significant at 10% level, ** significant at 5%, and *** significant at 1%.

**Table 12: Effect of Preferences by Combination of Election Type and Selection Method (Proposed Projects Only).**

| Combination | Instrument | Selection | Prioritization |
|---|---|---|---|
| Male Household | Cluster and Cons. Meeting | 1.81 | 0.87 |
| | | [3.29]*** | [2.21]** |
| | Cluster and Referendum | 1.12 | 0.18 |
| | | [1.99]** | [0.47] |
| | At-Large and Cons. Meeting | 0.88 | 0.56 |
| | | [1.68]* | [1.53] |
| | At-Large and Referendum | 0.65 | 0.76 |
| | | [1.39] | [2.10]** |
| p-value for equality of coeff. | | 0.43 | 0.58 |
| Male Focus Group | Cluster and Cons. Meeting | -0.07 | -0.05 |
| | | [0.15] | [0.12] |
| | Cluster and Referendum | -0.09 | -0.09 |
| | | [0.23] | [0.27] |
| | At-Large and Cons. Meeting | 0.48 | 0.68 |
| | | [1.18] | [1.72]* |
| | At-Large and Referendum | -0.65 | -0.62 |
| | | [1.30] | [1.49] |
| p-value for equality of coeff. | | 0.37 | 0.15 |
| Female Focus Group | Cluster and Cons. Meeting | 0.24 | 0.15 |
| | | [0.52] | [0.41] |
| | Cluster and Referendum | 0.34 | 0.7 |
| | | [0.86] | [1.83]* |
| | At-Large and Cons. Meeting | -0.38 | 0.38 |
| | | [0.85] | [0.96] |
| | At-Large and Referendum | 0.58 | 0.03 |
| | | [1.54] | [0.06] |
| p-value for equality of coeff. | | 0.41 | 0.63 |
| Project Type Fixed Effects | | Yes | Yes |
| Number of Observations | | 648 | 835 |

*Notes:* Results of conditional fixed-effect logit regressions. The unity of observation is project type-village. Dependent variable is a dummy that equals one if a project of a particular type was proposed, selected, or prioritized. Each row corresponds to an interaction between dummy variable for the election type and a dummy variable that equals one if the project of a particular type was preferred by a specific group of villagers. Robust t-statistics clustered at the village level in parenthesis. * - significant at 10% level, ** significant at 5%, and *** significant at 1%.

Table 13: Effect of Selection Method On Villagers' Attitudes.

| | Respondents Disagreed With Decision or Action of Village Leaders | | | | Respondent is Satisfied with Work of Village Leaders | | | |
|---|---|---|---|---|---|---|---|---|
| Survey | MHH | MHH | FHH | FHH | MHH | MHH | FHH | FHH |
| Referendum | -0.0124 | | -0.0523*** | | -0.0052 | | 0.0662** | |
| | [0.014] | | [0.019] | | [0.020] | | [0.029] | |
| At-large & Referendum | | -0.0148 | | -0.0494** | | -0.0063 | | 0.0842** |
| | | [0.017] | | [0.023] | | [0.023] | | [0.033] |
| Cluster & Referendum | | -0.0097 | | -0.0552** | | -0.0041 | | 0.0476 |
| | | [0.015] | | [0.022] | | [0.025] | | [0.036] |
| District Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 2,366 | 2,366 | 2,083 | 2,083 | 2,143 | 2,143 | 2,101 | 2,101 |
| p-value | | 0.758 | | 0.816 | | 0.936 | | 0.319 |

| | Respondent Attributes Positive Change in Economic Situation to Village Leaders | | | | Household's Economic Situation Has Improved in Past 12 Months | | | |
|---|---|---|---|---|---|---|---|---|
| Survey | MHH | MHH | FHH | FHH | MHH | MHH | FHH | FHH |
| Referendum | 0.0282* | | 0.0097 | | 0.0514** | | 0.0160 | |
| | [0.015] | | [0.012] | | [0.025] | | [0.027] | |
| At-large & Referendum | | 0.0311* | | 0.0225 | | 0.0471 | | 0.0596* |
| | | [0.018] | | [0.016] | | [0.031] | | [0.035] |
| Cluster & Referendum | | 0.0251 | | -0.0052 | | 0.0560* | | -0.0289 |
| | | [0.020] | | [0.014] | | [0.030] | | [0.031] |
| District Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 1,424 | 1,424 | 1,101 | 1,101 | 2,366 | 2,366 | 2,140 | 2,140 |
| p-value | | 0.799 | | 0.0967 | | 0.798 | | 0.0205 |

**Table 14: Effect of Election Type On Villagers' Attitudes.**

| | Respondents Disagreed With Decision or Action of Village Leaders | | | | Respondent is Satisfied with Work of Village Leaders | | | |
|---|---|---|---|---|---|---|---|---|
| Survey | Males | Males | Females | Females | Males | Males | Females | Females |
| At-large | 0.0135 | | 0.0190 | | -0.0135 | | -0.0031 | |
| | [0.013] | | [0.019] | | [0.020] | | [0.029] | |
| At-large & Cons. Meeting | | 0.0295 | | 0.0549** | | -0.0168 | | -0.0615 |
| | | [0.019] | | [0.025] | | [0.025] | | [0.040] |
| At-large & Referendum | | -0.0018 | | -0.0133 | | -0.0104 | | 0.0487 |
| | | [0.015] | | [0.022] | | [0.023] | | [0.031] |
| District Fixed Effects | | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 2,366 | 2,366 | 2,083 | 2,083 | 2,143 | 2,143 | 2,101 | 2,101 |
| p-value | | 0.151 | | 0.0163 | | 0.816 | | 0.0107 |

| | Respondent Attributes Positive Change in Economic Situation to Village Leaders | | | | Household's Economic Situation Has Improved in Past 12 Months | | | |
|---|---|---|---|---|---|---|---|---|
| Survey | Males | Males | Females | Females | Males | Males | Females | Females |
| At-large | -0.0013 | | 0.0224* | | 0.0015 | | 0.0525* | |
| | [0.015] | | [0.012] | | [0.025] | | [0.027] | |
| At-large & Cons. Meeting | | -0.0206 | | 0.0148 | | -0.0203 | | 0.0248 |
| | | [0.016] | | [0.016] | | [0.030] | | [0.031] |
| At-large & Referendum | | 0.0161 | | 0.0289* | | 0.0222 | | 0.0774** |
| | | [0.019] | | [0.015] | | [0.031] | | [0.035] |
| District Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 1,424 | 1,424 | 1,101 | 1,101 | 2,366 | 2,366 | 2,140 | 2,140 |
| p-value | | 0.0555 | | 0.478 | | 0.233 | | 0.168 |

**Table 15: Effect of Elite Capture on Villagers' Attitudes.**

| | Respondents Disagreed With Decision or Action of Village Leaders | | | | Respondent is Satisfied with Work of Village Leaders | | | |
|---|---|---|---|---|---|---|---|---|
| | OLS | IV | OLS | IV | OLS | IV | OLS | IV |
| | Male | Male | Female | Female | Male | Male | Female | Female |
| Prioritized Project | 0.0663** | 0.5816 | -0.0102 | 2.0909 | -0.0419 | -0.4199 | -0.0437 | -3.0069 |
| Preferred by Elite Only | [0.029] | [0.656] | [0.028] | [4.102] | [0.031] | [0.960] | [0.044] | [6.256] |
| Constant | 0.0491** | -0.0771 | 0.1041*** | -0.3140 | 0.8797*** | 0.9722*** | 0.7735*** | 1.3513 |
| | [0.020] | [0.165] | [0.032] | [0.869] | [0.030] | [0.239] | [0.042] | [1.283] |
| District Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 2,366 | 2,366 | 2,083 | 2,083 | 2,143 | 2,143 | 2,101 | 2,101 |

| | Respondent Attributes Positive Change in Economic Situation to Village Leaders | | | | Household's Economic Situation Has Improved in Past 12 Months | | | |
|---|---|---|---|---|---|---|---|---|
| | OLS | IV | OLS | IV | OLS | IV | OLS | IV |
| | Male | Male | Female | Female | Male | Male | Female | Female |
| Prioritized Project | -0.0159 | -0.2914 | 0.0037 | 0.0589 | -0.0837** | -0.5327 | 0.0362 | -0.0428 |
| Preferred by Elite Only | [0.010] | [0.346] | [0.011] | [0.269] | [0.034] | [0.729] | [0.034] | [0.872] |
| Constant | 0.0121** | 0.0795 | 0.0190 | 0.0081 | 0.5225*** | 0.6325*** | 0.3802*** | 0.3956** |
| | [0.006] | [0.088] | [0.012] | [0.056] | [0.040] | [0.185] | [0.035] | [0.175] |
| District Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Observations | 2,355 | 2,355 | 2,135 | 2,135 | 2,366 | 2,366 | 2,140 | 2,140 |

**Figure 2. Proposed, Selected, and Prioritized Projects.**

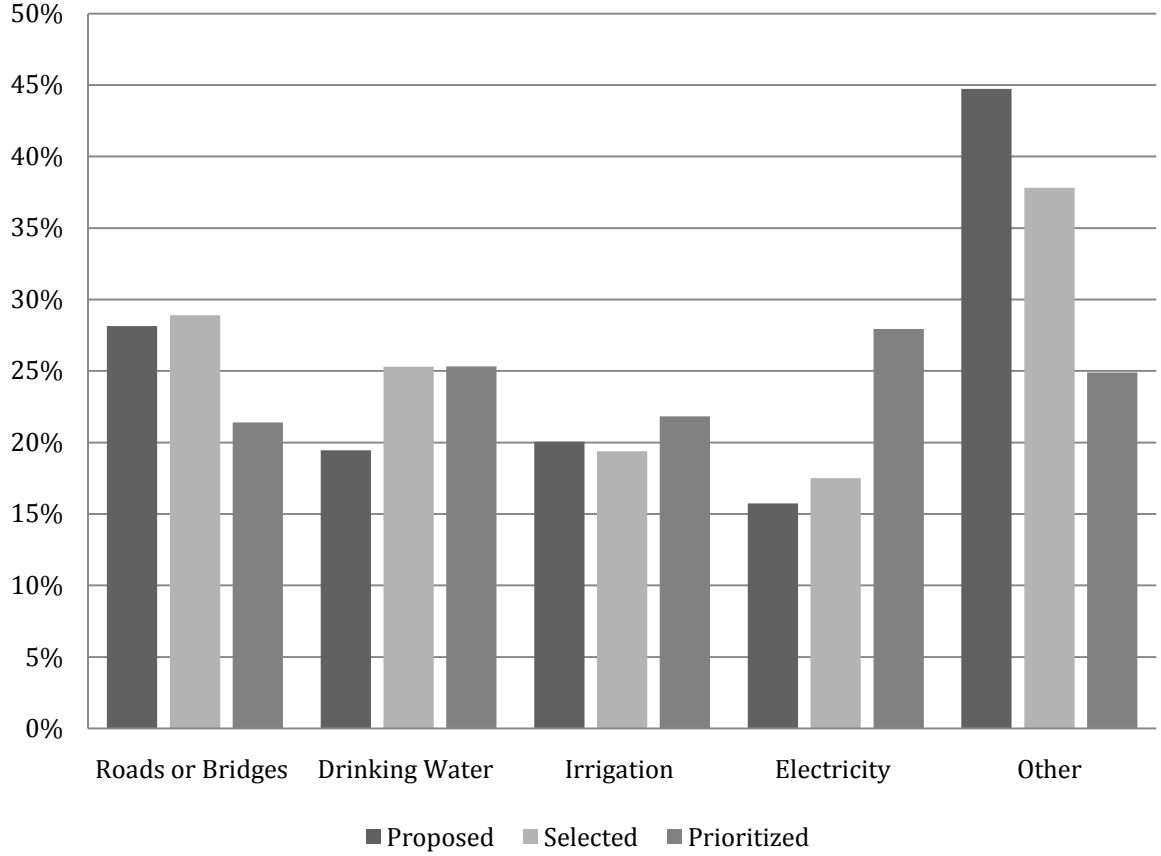

**Figure 3: Villagers' Attitudes by Election Type and Selection Method.**