Compete or Cooperate: How Institutional Choices Shape the Interaction Between Traditional Leaders and the State in Africa

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Motivation

- How does the central state interact with local political actors?
- The state’s capacity to implement policies and to cooperate or compete with local actors varies considerably both across and with countries.
- Traditional leaders are important local actors in Africa. But how are they affected by the weakness of the state?

Research Question

- How does the capacity of the central state change the power of traditional leaders?
- What consequences does this relationship have?

Theory

- If chiefs are independent of state → substitution
- If chiefs and state are institutionally connected → complementarity

Data

- Afrobarometer survey — Rounds 3, 4, 5, 6 (geocoded by Aiddata)
- DHS survey — health and demographic data
- Administrative shapefiles
- Boundaries
- Headsquarters
- Constitutions data set (Baldwin 2016)
- Whether chiefs are mentioned in a country’s constitution
- Whether the chiefs’ power is protected in the constitution

Challenges

- How to measure state capacity?
- How to obtain exogenous variation?

Steps

- **Distance to admin. capitals as measure**
  - States struggle to control the “periphery” (Herbst. 2000)
  - Distance increases the cost of administrating and implementing (Stasavage, 2010). E.g. police, taxes etc.
  - Strong correlation between distance and state capacity

- **Use border region to obtain variation**
  - Compare villages at admin. borders to obtain discontinuity in state capacity while keeping other factors constant.
  - While people, goods, and services move freely across these admin. borders, gov. officials, that are usually tasked with administrating specific districts, however, do not.
  - Restrict sample to villages close to admin. border (within 5 km)

- **Specification**
  \[ Y = \beta_0 + \beta_1 T_{int} + \beta_2 DB + \beta_3 T \times DB + \beta_4 \chi + \beta_5 BR + \epsilon \]
  - \( Y \) is a measure of the strength of local institutions
  - \( T \) is the binary treatment variable indicating whether the average distance on the respondent’s side of the border region is larger than on the other side
  - \( T_{int} \) is the treatment intensity
  - \( DB \) is the distance to the administrative border
  - \( \chi \) is a vector of geographical and historical controls
  - \( BR \) are the border region fixed effects

- **Scaling**
  - Distance has a different effect on state capacity depending on the country and administrative division.
  - So I will scale the treatment by the inverse of the coefficient \( \beta \) in \( SC = \alpha + \beta Distance + \epsilon \) which I run by country and administrative division.

Results

<table>
<thead>
<tr>
<th>Chief Z-Score</th>
<th>Not Protected</th>
<th>Protected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensive Treatment</td>
<td>1.236**</td>
<td>0.347</td>
</tr>
<tr>
<td>(0.488)</td>
<td>(0.216)</td>
<td></td>
</tr>
<tr>
<td>Fixed effects?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Cluster</td>
<td>Admin. Unit</td>
<td>Admin. Unit</td>
</tr>
<tr>
<td>Observations</td>
<td>399</td>
<td>399</td>
</tr>
<tr>
<td>( R^2 )</td>
<td>0.705</td>
<td>0.690</td>
</tr>
<tr>
<td>Adjusted ( R^2 )</td>
<td>0.457</td>
<td>0.572</td>
</tr>
</tbody>
</table>

Interpretation

- In countries where chiefs are protected by the constitution (i.e. institutional linked to the state) → complementarity
- In countries where chiefs are independent → substitution
- This has implications for other outcomes. Areas with institutional linkages are worse of in terms of wealth and literacy when the state is weak.
- I theorize that this is because when independent chiefs can step in and provide some public goods when the state is weak.
- Reverse for health outcomes, presumably because chiefs are not good at providing health care.

Robustness Checks

- Varying the bandwidth
- Travel Time
- Cubic Long/Lat specification
- Instrumented HQs

Next Steps

- Formal Model
- Case Study: Ghana vs Nigeria
- Micro-data from the DRC

Contribution

- Causal evidence for the effect of state capacity on chiefs → institutional context determines whether substitution or complementarity
- This matters for development outcomes
- Empirical strategy that provides fine-grained measure of state capacity and exogenous variation
- Data set of administrative boundaries and hq

Discussion