RESEARCH STATEMENT*

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My research interests are in Political Economy, Economic History and Applied Microeconomics. My research so far has focused on electoral competition (how politicians compete), voting behavior (how voters vote), the welfare comparison across different electoral systems and the role of media in political process.

In my job market paper, Political Power of the Press in the Weimar Republic, I study how the Berlin daily newspapers influenced electoral outcomes. Using a dataset of 135 newspapers in this period, I examine how the changes in the circulation figures of partisan newspapers affected voter turnout, party’s vote shares and mass political polarization at three levels: federal, state and city council elections. My identification strategy exploits the variation in the development of the urban rail system across 20 historical districts of Berlin which influenced the circulation of newspapers in each district. I find that an increase in newspaper circulation significantly increased turnout in 14 outer districts of Berlin and gave rise to a higher degree of electorate polarization. In addition, one thousand additional copies of newspapers supporting a party led to a 0.031 percentage point increase in its vote share in federal elections. This contradicts the results from Gentzkow et al. (2011), who study the entry and exit of US newspapers from 1869 to 1928 but find no significant effects of newspapers on party’s vote shares. I explain my result by the stark differences in the political systems, in the attitudes towards journalism as well as in the newspapers market structure between the two countries. However, I find that partisan newspapers benefited parties less in state elections and the effect was insignificant for city council elections. Most importantly, the electoral influence of newspapers were driven by tabloids and mass newspapers, and not by elite political newspapers. This result, on the one hand, confirms historical case studies of the Berlin press, which has not been able to establish a connection between elite political publications and election outcomes; on the other hand, it identifies the channel through which the press influenced elections. Moreover, I also show that among the anti-Republican press, the right-wing press exerted a strong influence in federal elections, whereas the power of the communist press was negligible.

My original interest in economics is in Applied Game Theory. With Marco Faravelli and Priscilla Man (both at the University of Queensland), I use a game-theoretic approach to show that voluntary voting dominates both compulsory voting and random decision making under a broad class of electoral systems when the electorate is evenly split. This generalizes the result from Börgers (2004), who studies the case of winner-take-all rule. We explain the welfare superiority of voluntary voting over compulsory voting by a negative externality to voting, i.e., the expected gross benefit to voting is decreasing in the voting participation rate. Under compulsory voting, there are individuals who find the cost of voting greater than the benefit but still have to participate. They would instead

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abstain under voluntary voting. Being forced to incur a high cost results in a lower expected benefit and consequently, lowers welfare. Compared to a random decision making process, voluntary voting is also a better mechanism. Intuitively, under a non-random voting scheme, if an individual turns out to vote, he will vote only for his preferred candidate and never for his less preferred candidate. Under a random decision making, there is a one half chance that a proxy vote for an individual goes to support the wrong alternative, which is undesirable. We also show that contrary to common perception, voluntary voting is not socially optimal, as individuals vote too frequently. Our work was published in Social Choice and Welfare in 2016 under the title Welfare Comparison of Electoral Systems under Power Sharing.

In another working paper, To Lead or to Follow: Incentive to Pander under Winner-take-all and under Power Sharing, I compare the incentives of politicians to cater to public opinion before the elections under the two systems. I set up a model of electoral competition, in which two candidates receive private signals about the true state of the world and pre-commit to policies before the election. Candidates are both office-motivated and policy-motivated. Voters have heterogeneous beliefs and vote for the candidates whose proposed policy gives them a higher expected utility. I find that if candidates are sufficiently policy-motivated and the gap between the majority and minority is sufficiently small, candidates have less incentive to pander under a proportional system than under a winner-take-all system. The intuition is as follows. Under a majority rule, candidates are solely interested in getting a higher vote share and put no weight on the minority. Pandering emerges because proposing the popular policy always guarantees the candidates at least one half of the votes. In a proportional system, the vote share of the minority plays a role in shaping the policy choice. If the true state corresponds to the belief of the minority, and policy motivation is sufficiently large, candidates have less incentive to pander. There are two forces which simultaneously mitigate the pandering incentive. First, even a vote share of less than 50% will yield some payoff (power) for the candidate. This is different from the case of winner-take-all, in which receiving less than one half of the votes is equivalent to losing all power. However, this office motivation alone would not make the candidate become truthful. The second part of the payoff comes from policy motivation. Even though the optimal policy receives less than half of the votes, it is still being taken into account in the final policy implementation.

I am greatly looking forward to continuing the lines of research described above. I am working on two extensions for the pandering paper: I examine the robustness of the results if we have more than two candidates and study whether the media can play a role in ensuring the candidates to be truthful of the information they have. In addition, I have an ongoing empirical project in which I study the political power of the railway interest groups in Great Britain in the 19th century.

References