

# DEMOCRACY, INFORMATION, AND POLICY IN THE AGE OF POPULISM

Rethinking Voter Preferences in Development

# The Paradox We Face

## □ **The Good News:**

- Poverty declining, health and education improving.
- Safety nets expanding.

## □ **The Puzzle:**

- Voters appear to vote against policies that benefit them.

## □ **The Challenge:**

- Populism may be an existential threat to democracy.
- Dysfunctional information environment.

# Theory versus Reality

- **We expected:**
  - ▣ better policies → improved welfare → electoral reward.
- **We're seeing:**
  - ▣ Voters choosing based on clientelist benefits.
  - ▣ Decisions driven by biased or partial information.
  - ▣ Identity and emotion trumping material interests.
  - ▣ Politicians not incentivized to act in the public interest.
- A few caveats before we dig in.

# Benefits Shape Political Outcomes

## □ **Policy programs:**

❓ Direct beneficiaries increase political engagement.

■ Manacorda et al, 2011

❓ Non-beneficiaries' reactions are mixed.

■ Pro-Muslim lending in India → welfare gains → electoral gains for Muslims → backlash via religious violence. (Khan & Ritadhi, 2025)

## □ **Vote buying:**

❓ Targets swing voters, core supporters, reciprocal individuals, or influencers.

■ Dixit and Londregan, 1995; Nichter, 2008; Finan and Schechter, 2012; Schaffer and Baker, 2015

# Traditionally, Information Shaped Political Outcomes

## □ Older Methods:

- Vote buying countered by radio and door-to-door campaigns, changed voting outcomes and improved service delivery.
  - Blattman et al, 2024; Keefer and Khemani, 2024; Schechter and Vasudevan, 2023
- Publicizing corruption audits on radio and tv changed voting behavior.
  - Ferraz and Finan, 2008; Larreguy et al, 2020
- Community events and newspapers publicizing report cards changed voting behavior and policy outcomes.
  - Banerjee et al, 2011; Banerjee et al, 2024
- Flyers publicizing policy platforms changed voting behavior.
  - Cruz et al, 2024

# Now, Information Shapes Politics in Surprising Ways

## □ **What's Different Now:**

- ❓ Political machines used to focus on clientelism and vote buying, but now focus on manipulative tactics through fake news and social media.
  - Social media dominates information consumption.
  - Confirmation bias and echo chambers prevalent.
- ❓ In newspapers, editorial content has the same effect as sponsored content.
  - Anand et al, 2025
- ❓ On Facebook, unfavorable report cards increased support for incumbent.
  - Enríquez et al, 2025

# The Populist Challenge

- Populism
  - ❓ Ordinary people vs. the elite.
  - ❓ Weakens connection between policy outcomes and votes.
  - ❓ Slide into authoritarianism.
- Globally:
  - ❓ Orbán, Modi, Bukele, Milei.
- In the US:
  - ❓ *It Can't Happen Here*.
    - Sinclair Lewis, 1935
  - ❓ *The Tyranny of Merit* – humiliation vs. hubris.
    - Sandel, 2020
  - ❓ Protests generate internet activity but don't influence voting outcomes.
    - Gethin and Pons, 2024

# Implications for Development Policy

- Demand side: voters vulnerable to manipulation and emotional responses.
- Supply side: biased and/or salacious content, low incentives to publish quality work.
- Beyond good policies:
  - ▣ Policies and institutions matter, but so do voters.
  - ▣ Without trust and information, good policies may not survive.
- Rethinking approach:
  - ▣ Focus on how preferences are shaped.
  - ▣ Invest in credible information ecosystems.
  - ▣ Consider populist dynamics in program design.

# Possible Ways Forward?

- Demand side: can we inoculate against manipulation?
  - ▣ Amar et al, 2025
- Supply side: can we build credible engaging alternatives? (and can we avoid backlash?)
  - ▣ Improve local investigative reporting for regional radio.
    - Groves, 2023
  - ▣ Khabar Lahariya independent digital local reporting.
    - Writing with Fire – 2021 documentary
  - ▣ Are there national-level possibilities?