Direct Democracy and Resource Allocation Experimental Evidence from Afghanistan

<table>
<thead>
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<tbody>
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<td>Voice and Agency</td>
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<td>Status</td>
<td>Completed</td>
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<td>Intervention Category</td>
<td>Political Participation</td>
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<tr>
<td>Sector</td>
<td>Social Development</td>
</tr>
</tbody>
</table>

Abstract

Direct democracy is designed to better align public resource allocation decisions with citizen preferences. Using a randomized field experiment in 250 villages across Afghanistan, this paper compares outcomes of secret-ballot referenda with those of consultation meetings, which adhere to customary decision-making practices. Elites are found to exert influence over meeting outcomes, but not over referenda outcomes, which are driven primarily by citizen preferences. Referenda are also found to improve public satisfaction, whereas elite domination of allocation processes has a negative effect. The results indicate that the use of direct democracy in public resource allocation results in more legitimate outcomes than those produced by customary processes.

Gender Connection

Gender Focused Intervention

Gender Outcomes

Women's participation or voice in community, psychological agency

IE Design

Clustered Randomized Control Trial (Clustered at village level)

Intervention

The experiment was conducted in coordination with the National Solidarity Program, a nationwide community development program. The program is structured around the creation of Community Development Council (CDC) and the disbursement of block grants to CDCs. The experiment randomizes whether projects are selected through referendum or through consultation meetings. In a referendum, all adult male and female residents vote for projects by secret ballot. In consultation meetings, most similar to the traditional selection mechanisms, the village council convenes a meeting to discuss funding.

Intervention Period

2002-Present, Program implementation in a village can take up to 3 years

Sample population

The sample consists of 250 villages across 10 districts in Afghanistan.

Comparison conditions

The study compares projects chosen through a referendum to projects chosen through a consultation meeting.

Unit of analysis

Village Level

Evaluation Period

September 2007 - October 2009
### Results

Allocation decisions made by consultative procedures grant significant influence to male elites compared to direct democracy. Village council members have more influence than others over project selection. One of the most important channels of elite influence is agenda setting. However, female elites have almost no influence on project proposal but a significant influence on project selection. Elite control worsens perception of local governance and local capture. Direct democracy increases public satisfaction by increasing the alignment of outcomes with preferences and increases the acceptance of the process.

### Primary study limitations

The paper does not discuss limitations of the study.

### Funding Source

FAO, World Bank, National Solidarity Programme

### Reference(s)


### Link to Studies

[https://openknowledge.worldbank.org/handle/10986/11946](https://openknowledge.worldbank.org/handle/10986/11946)