



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

WORKING PAPERS IN ECONOMICS

No 586

Ethno-regional favouritism in Sub-Saharan Africa

Pelle Ahlerup and Ann-Sofie Isaksson

March 2014

ISSN 1403-2473 (print)
ISSN 1403-2465 (online)

Ethno-regional favouritism in Sub-Saharan Africa

Pelle Ahlerup[†] and Ann-Sofie Isaksson[‡]

Abstract: Studies of political favouritism in Africa often treat ethnic and regional favouritism as interchangeable concepts. The present paper distinguishes between the two and investigates their relative influence in Sub-Saharan Africa. Focusing on whether individuals perceive their ethnic group to be unfairly treated by government, we assess the importance of being a co-ethnic of the country president, of living in the president's region of origin and of the regional share of president co-ethnics. Empirical findings drawing on detailed individual level survey data covering more than 19 000 respondents across 15 African countries suggest that ethnic and regional favouritism are not the same, but rather have independent effects.

Keywords: Ethnic favouritism, regional favouritism, Africa

JEL classification: D63, D72, O12, O55

1 Introduction

In 1983, the Ivorian president Félix Houphouët-Boigny made his birthplace Yamoussoukro the national capital. At the time little more than an agricultural village, it was soon a city complete with an artificial lake with crocodiles, a six-lane highway, a five-star hotel, an airport that could land a Concorde, and most notably, the world's largest church built at a cost of 300 million USD (Rice, 2008). Equally excessive, president Mobutu turned his small Zairean home village of Gbadolite into a luxurious city often nicknamed 'Versailles of the jungle.' The village was equipped with several large palaces, the second of two African airports capable of landing Concorde, and a hydroelectric dam ensuring the country's best supply of water and electricity (see e.g. Meredith, 2005).

These cases, while extreme, illustrate the widespread belief that African policy-makers tend to favour their own homelands and ethnic groups in the allocation of public funds, and the idea that African politics is heavily influenced by particularised loyalties (for a discussion, see e.g. Lindberg and Morrison, 2008). A small but growing literature evaluates the role of ethno-regional favouritism in African politics. Focusing on Kenya, the results of Kramon and

[†] University of Gothenburg, Department of Economics.

[‡] University of Gothenburg, Department of Economics; The Nordic Africa Institute, Uppsala.

Posner (2012) suggest that having a co-ethnic as president or minister of education during one's primary school years is associated with significantly better educational outcomes. Similarly, Burgess et al. (2013) find that Kenyan road investments are disproportionately allocated to the presidents' district of birth and those regions where their ethnicity is dominant. For wider samples of countries, the results of Franck and Rainer (2012) suggest widespread effects of ethnic favouritism on educational outcomes and infant mortality, and Hodler and Raschky (2011) find that a disproportionate share of foreign aid ends up in the birth region of the political leader. On the other hand, the findings of Kasara (2007) indicate that African leaders tax the crops grown in their own ethnic homelands more heavily, and, studying a sudden change in the presidency in Guinea, Kudamatsu (2009) finds that a new ethnic group coming to power did not affect the relative levels of infant mortality among the country's ethnic groups.

Some of these studies focus on the effects of belonging to the same ethnic group as the top political leaders (Franck and Rainer, 2012; Kramon and Posner, 2012; Kudamatsu, 2009). Others use regionally based measures, considering the effects of living in the ethnic homelands of the political leadership (Burgess et al., 2013; Hodler and Raschky, 2011; Kasara, 2007). Irrespective of measure used, the results are often interpreted either in terms of ethnic favouritism or as ethno-regional favouritism. The close connection made between ethnic and regional favouritism rests on the assumption that, in the African context, the region and ethnic identity of inhabitants tend to coincide for historical reasons. In the past, ethnic groups were often differentiated from each other based on their practices to exploit their natural environment, and colonial rulers often created internal administrative boundaries around 'tribes' (Kasara, 2007).

While we do not dispute this fact, the overlap between region of residence and ethnic affiliation raises interesting questions about their relative importance for who the subject of potential favouritism is. In the present paper, we distinguish between ethnic and regional favouritism and investigate their relative influence in Sub-Saharan Africa using detailed individual level survey data covering over 19 000 respondents from 15 African countries. Focusing on whether individuals perceive their ethnic group to be unfairly treated by the government, we assess the importance of three factors: being a co-ethnic of the country president, living in the president's region of origin and regional share of the president's co-ethnics.

2 Data and empirical setup

We draw on detailed individual level survey data from the Afrobarometer (2013).¹ Asking respondents about their ethnic group affiliations and the government's treatment of their group, the data material is uniquely suited to study experiences with ethno-regional favouritism in a large African multi-country sample. Using this data, we estimate the following linear probability specification:

$$\begin{aligned} Unfair_i = & \alpha + \beta_1 \times (Co - ethnic\ with\ the\ president_i) \\ & + \beta_2 \times (Regional\ share\ of\ the\ president's\ co - ethnics_i) \\ & + \beta_3 \times (In\ president's\ homeland_i) + \mathbf{X}'\boldsymbol{\beta}_X + \varepsilon_i \end{aligned}$$

Our dependent variable, $Unfair_i$, is a dummy taking the value one if the respondent answers 'sometimes', 'often' or 'always' (and zero if the answer is 'never') to the question of how often their ethnic group is treated unfairly by the government. As can be seen in Table 1, approximately half of the sample fall into this category. Whether individual i perceives that his/her group is treated unfairly by the government is taken to depend on our three main factors of interest, explained below, and a vector of control variables \mathbf{X} that includes country fixed effects, regional controls and individual-level socio-demographic indicators. The robust standard errors ε are clustered at the region level.

Our three explanatory variables of main interest combine information on self-reported ethnic group affiliation and region of residence of respondents with external data on the ethnic affiliations and regions of origin of heads of government in office at the time of the survey. First, we consider a dummy variable indicating whether the respondent belongs to the same ethnic group as the country's president (*Co-ethnic with the president*). Considering that African politics tends to be highly centralised around the head of government and that the

¹ We use the third round of the survey, conducted in 2005-2006. The countries included are Benin, Botswana, Ghana, Kenya, Madagascar, Malawi, Mali, Mozambique, Namibia, Nigeria, Senegal, South Africa, Tanzania, Uganda, Zambia and Zimbabwe. Out of the 18 countries covered in the third round of the Afrobarometer, three are not in our sample. Cape Verde is excluded since respondents do not report any ethnic group affiliations. Furthermore, we were unable to match the ethnicity of the president in Lesotho to answers in the Afrobarometer data (the president is generally referred to as Sotho, while respondents give more nuanced answers, possibly more akin to tribes within an ethnic group). And finally, the question that gives us our dependent variable is not asked in Zimbabwe. For more information about the Afrobarometer sampling procedures and survey methods, see Bratton et al. (2005).

ethnic group of the president is often thought to be most favoured and politically dominant (see the discussion in Franck and Rainer, 2012), this measure should be relevant. Second, we consider the share of president co-ethnics in the respondent's region² (*Regional share of president co-ethnics*), and third, we construct a dummy variable indicating whether the respondent lives in the president's region of origin (*In the president's homeland*). In the full sample, 21 percent of the respondents belong to the same ethnic group as their president and 17 percent live in their president's region of origin (Table 1). The cross-sectional data at hand does not allow us to draw conclusions on the causal effects of ethnic and regional favouritism; for this purpose we would need to explore time variation in our dependent variable resulting from (preferably exogenous) changes in the countries' presidency. What we can do, however, is consider whether ethnic and regional favouritism exist in parallel or whether the effect of one clearly dominates that of the other.

3 Results

Tables 2 and 3 provide a preview of our results. First of all, looking at the correlations in Table 2, we can note that while there is a clear positive correlation between living in the president's homeland and being a co-ethnic of the president, it is by no means perfect (the correlation coefficient is 0.3). That is, co-ethnics of the president do not necessarily live in the president's homeland, and residents in the president's homeland are not necessarily his/her co-ethnics. Furthermore, the correlations presented in Table 2 show that being a co-ethnic with the country president, living in the president's region of origin and living in a region with a large share of president co-ethnics are all negatively related with the perception that one's group is unfairly treated by the government. The same pattern is visible when we compare average responses along the regional and ethnic dimensions (Table 3). Compared with people part of other ethnic groups, the president's co-ethnics are 15 percentage points less likely to perceive that their ethnic group is unfairly treated by government. This difference is smaller if we look separately at regions that are the president's homeland, yet still sizeable. We see an equally drastic difference between those who live in the president's region of origin and those who live in other regions (18 percentage points). Also individuals who are not the president's co-ethnics seem to fare considerably better if they live in the president's homeland.

² The regions refer to the first-order administrative division in a country, in the data codebook denoted 'province or region'. To construct the regional population shares, we use the sample weights supplied by the Afrobarometer.

Seemingly then, there is not only favouritism between members of different ethnic groups, but also between different regions.

Table 4 presents the results of our estimations (for details on the included control variables, see table notes). Looking at Columns 1-3, where our three key indicators are included separately, we can note that the results we get when controlling for country variation and individual socio-demographic characteristics are in line with the pattern observed in the simple correlations and comparisons of group means above. That is, individuals who are co-ethnics with the country president, live in the president's homeland or live in a region with a relatively large share of president co-ethnics are less likely to report that their group is unfairly treated by government. For president co-ethnics versus non-co-ethnics and residents of the president's homeland versus residents of other regions, the reported differences in unfair treatment are 11 and 14 percentage points, respectively. Correspondingly, a one standard deviation (0.29) lower share of the president co-ethnics in the region is associated with a roughly six percentage point higher probability that a respondent reports that his/her group is treated unfairly.

To investigate the relative importance of our three key indicators, we include them jointly, in steps. The results give no indication that the effect of one of the indicators completely dominates those of the others. Rather, it seems that they have distinct effects and thus that they are all relevant to consider. While the size of the coefficients shrinks in absolute terms, all three key indicators are still negatively related to unfair treatment. Conditioning on the regional share of the president's co-ethnics, being a co-ethnic with the president still matters, and vice versa (Column 4). Similarly, conditioning on living in the president's homeland, being a co-ethnic with the president is still negatively related to unfair treatment, and vice versa (Column 5). Including all three indicators jointly (Column 6), the coefficients become somewhat less precisely estimated, but still remain statistically significant at conventional levels. For instance, even when controlling for whether the respondent is a co-ethnic with the president and for the share of the president's co-ethnics, respondents living in the homeland of the president are still less likely than people from other regions to report that their group is treated unfairly.

We take these results as an indication that ethnic and regional favouritism exist in parallel. Being a co-ethnic with the president, an individual is less likely to be treated unfairly by government, irrespective of where he or she lives. Similarly, however, an individual living in the president's homeland or in a region with a large share of the president's co-ethnics is, irrespective of his/her ethnic affiliation, less likely to be treated unfairly.

In Columns 7-12, we include a range of additional controls that are potentially problematic in terms of endogeneity, but still interesting for our purposes. Controlling for ethnic salience and inter-ethnic and co-ethnic trust (Columns 7-9) – factors that might affect the perception of unfair treatment, but that may also be affected by unfair treatment – the results remain unchanged. Next, we include regional controls for economic standing and local controls for public goods (Columns 10-12), variables which could affect whether respondents perceive their group as unfairly treated while, again, also being potential outcomes of unfair treatment. The estimate that remains most stable and precisely estimated in the face of these controls is that of being a co-ethnic of the president. This makes sense. The literature has found that ethnic favouritism targeted regionally involves the provision of public goods and services such as roads, schools and hospitals. Controlling for local public goods, we should thus expect the estimates of our key regional factors to shrink. Conditioning on these regional indicators, there should still, however, be room for individually targeted ethnically based favouritism, e.g. in the form of appointment of jobs in the civil service.

Conclusions

Our findings demonstrate that ethnic and regional favouritism have distinct effects that exist in parallel, and that it is therefore meaningful to make a distinction between the two. While geographical clustering of ethnic groups means that co-ethnics of the president tend to be over-represented in the president's homeland, interpreting benefits targeted to the president's region of origin as ethnic favouritism (or vice versa), as has occasionally been done in the literature on ethno-regional favouritism, risks overlooking important nuances. Rather, our results suggest that co-ethnics of the president receive benefits, irrespective of where they live. As do people living in the president's homeland or in a region with a large share of president co-ethnics, regardless of their ethnic affiliation. Further research is needed to better understand who is targeted by political favouritism in Sub-Saharan Africa.

References

Afrobarometer (2013), available online at www.afrobarometer.org

Bratton, M., Mattes, R. and E. Gyimah-Boadi (2005) *Public opinion, democracy, and market reform in Africa*, Cambridge: Cambridge University Press.

- Burgess, R., Jedwab, R., Miguel, E., A. Morjaria and G. Padró i Miquel (2013) "The Value of Democracy: Evidence from Road Building in Kenya", mimeo August 2013.
- Franck, R. and I. Rainer (2012) "Does the Leader's Ethnicity Matter? Ethnic Favoritism, Education, and Health in Sub-Saharan Africa", *American Political Science Review*, 106(2), pp 294-325.
- Hodler, R. and P. A. Raschky (2011) "Foreign Aid and Enlightened Leaders", mimeo January 2011.
- Kasara, K. (2007) "Tax me if you can: Ethnic geography, democracy and the taxation of agriculture in Africa", *American political science review*, 101(1), pp. 159-172.
- Kramon, E. and D. Posner (2012) "Ethnic favoritism in primary education in Kenya", mimeo August 2012.
- Kudamatsu, M. (2009) "Ethnic favoritism: Micro evidence from Guinea", mimeo, IIES Stockholm University.
- Lindberg, S. I. and M. K. C. Morrison (2008) "Are African voters really ethnic or clientelistic? Survey evidence from Ghana", *Political Science Quarterly*, 123(1), pp. 95-122.
- Meredith, M. (2005) *The state of Africa*, London: Free Press.
- Rice, X. (2008) "The president, his church and the crocodiles", *New Statesman*, 23 October 2008.
- Vicente, P. C. and L. Wantchekon (2009) "Clientelism and vote buying: lessons from field experiments in African elections", *Oxford Review of Economic Policy*, 25(2), pp. 292-305.
- Wantchekon, L. (2003) "Clientelism and voting behaviour: Evidence from a field experiment in Benin", *World Politics*, 55(3), pp. 399-422.

Table 1: Summary statistics

	N	Mean	St.dev.	Min.	Max
Unfair	19,642	0.52	0.50	0	1
Co-ethnic with the president	19,642	0.21	0.41	0	1
Regional share of the president's co-ethnics	19,642	0.21	0.29	0	1
In president's homeland	19,642	0.17	0.38	0	1

Notes: Sample weights are not considered.

Table 2: Correlations

	1	2	3	4
1. Unfair	1			
2. Co-ethnic with the president	-0.13 (0.00)	1		
3. Regional share of the president's co-ethnics	-0.14 (0.00)	0.72 (0.00)	1	
4. In president's homeland	-0.14 (0.00)	0.30 (0.00)	0.41 (0.00)	1

Notes: The table presents correlations (p-values in parentheses) using 19 642 observations.

Table 3: Averages of Unfair and t-tests of differences in averages

		Co-ethnic with the president						Difference	t-test of difference (p-value)
		All		Yes		No			
		Mean	(N)	Mean	(N)	Mean	(N)		
All		0.52	(19,642)	0.39	(4,116)	0.55	(15,526)	-0.15	0.00
In president's homeland	Yes	0.36	(3,335)	0.34	(1,608)	0.39	(1,727)	-0.05	0.00
	No	0.55	(16,307)	0.43	(2,508)	0.57	(13,799)	-0.14	0.00
Difference		-0.18		-0.09		-0.18			
t-test of difference (p-value)		0.00		0.00		0.00			

Notes: Sample weights are not considered.

Table 4: Ethnic or regional favouritism?

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<i>Dependent variable: Unfair</i>												
Co-ethnic with the president	-0.11*** (0.02)			-0.05*** (0.02)	-0.08*** (0.02)	-0.05*** (0.02)	-0.05*** (0.02)	-0.08*** (0.02)	-0.04*** (0.02)	-0.05*** (0.02)	-0.06** (0.02)	-0.04** (0.02)
Regional share of the president's co-ethnics		-0.19*** (0.05)		-0.15*** (0.05)		-0.08* (0.05)	-0.14*** (0.05)		-0.08* (0.05)	-0.09* (0.05)		-0.04 (0.05)
In president's homeland			-0.14*** (0.04)		-0.11*** (0.04)	-0.09** (0.04)		-0.10** (0.04)	-0.09** (0.04)		-0.08* (0.04)	-0.07 (0.05)
Country fixed effects	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Individual-level controls	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Ethnic attitude controls	N	N	N	N	N	N	Y	Y	Y	N	N	N
Regional development indicators	N	N	N	N	N	N	N	N	N	Y	Y	Y
Local public goods indicators	N	N	N	N	N	N	N	N	N	Y	Y	Y
Observations	19,183	19,183	19,183	19,183	19,183	19,183	18,792	18,792	18,792	17,437	17,437	17,437
Number of regions	177	177	177	177	177	177	177	177	177	176	176	176

Notes: Estimated with OLS. Robust standard errors, clustered by region, in parentheses. ***, **, and * indicate p-values below 1, 5, or 10. The individual-level control variables include the log of age in years, a female dummy, an urban dummy, dummies for highest level of education attained being at primary, secondary or post-secondary level, dummies for being Christian, Muslim or of other religion, a dummy for having full-time employment, the number of basic human needs (food, water, medicine, or cooking fuel) the respondent or his/her family has gone without at least once the past year, and the number of expensive items (car, motorcycle, bicycle, or TV) that the respondents owns. The ethnic attitude controls include a dummy for having a stronger attachment to one's ethnic group than to one's nationality, and two variables that indicate the extent of trust one has towards members of one's own group, and towards members of other groups, both ranging from 0 for 'not at all' to 3 for 'a lot'. The regional development indicators are the regional averages of the number of basic human needs not met and the number of expensive items owned, weighted by sample weights. The local public goods indicators are dummies indicating the presence of a post office, a school, a police station, an electricity grid, piped water, a sewage system, a health clinic, a recreational facility, a place of worship, a community building and market stalls in the enumeration area.