SIMON CHAUCHARD

Electoral Handouts in Mumbai Elections

The Cost of Political Competition

ABSTRACT

Why do candidates give voters handouts during political campaigns? Drawing on qualitative data from Mumbai, this article argues that competitive elections prompt candidates to distribute handouts for strategic reasons. While they know handouts to be inefficient, candidates face a prisoner's dilemma. Fearing that their opponents will distribute handouts, they distribute them themselves to counter, or neutralize, their opponents' strategies.

KEYWORDS: India, clientelism, handouts, elections, political competition

THE QUESTION

Recent reports on Indian politics suggest that a variety of factors drive voter preferences in the country.[1] While much of the scholarship once focused on whether ethnicity explains electoral results, more-recent elections also suggest that personalistic linkages, campaign events, ideology, and even media effects influence voters' preferences. In this article, I focus on a coarse but persistent form of influence, electoral handouts. These gifts to voters during campaigns are a common feature of elections across India, Asia, and beyond.[2]

SIMON CHAUCHARD is an Assistant Professor of Government at Dartmouth College, Hanover, New Hampshire, USA. He is the author of *Why Representation Matters: The Meaning of Ethnic Quotas in Rural India* (Cambridge University Press, 2017). He thanks Francisco Cantu, Lisa Björkman, Milan Vaishnav, Kaushik Koli, and Hanmant Wanole, as well as participants in seminars at CASI (Penn), Dartmouth College, and the MPSA and APSA annual meetings, for useful comments on this paper. Email: <simon.chauchard@dartmouth.edu>.

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1. See e.g. Subrata Mitra and Jivanta Schoettli, "The 2014 General Elections: A Critical Realignment in Indian Politics?" *Asian Survey* 56:4 (July 2016): 605–28.

2. Frederic Charles Schaffer, "Why Study Vote Buying?" in Frederic Charles Schaffer (ed.), *Elections for Sale: The Causes and Consequences of Vote Buying* (Boulder, CO: Lynne Rienner, 2007): 1–16.

Asian Survey, Vol. 58, Number 2, pp. 341–364. ISSN 0004-4687, electronic ISSN 1533-838X. © 2018 by The Regents of the University of California. All rights reserved. Please direct all requests for permission to photocopy or reproduce article content through the University of California Press's Reprints and Permissions web page, http://www.ucpress.edu/journals.php?p=reprints. DOI: https://doi.org/10.1525/AS.2018.58.2.341.

With a few notable exceptions,[3] political scientists have interpreted handouts as the first part of a clientelistic quid pro quo exchange enforced by a party "machine." According to these arguments, handouts constitute the first part of an exchange that requires recipients to engage in behaviors they might not have engaged in otherwise. Some studies suggest that handouts affect turnout in populations that receive them.[4] Other arguments suggest that handouts also influence the choices of voters, as in arguments about "vote-buying."[5] In both cases, a quasi-contract between candidates and voters is enabled by similar techniques: "brokers" who constitute the "machine" of candidates collect information on voters, and thus "monitor" their behavior. This monitoring allows the machine to detect and sanction non-enforcement,[6] or to predict it.[7] This makes vote-buying relatively efficient in spite of the secret ballot.

Yet the delivery of electoral handouts does not always square with this popular account. In many cases, the actors who deliver handouts do not monitor voters. Because candidates frequently lack deep-reaching organizations—such as the "Congress system" described by Rajni Kothari in 1964,[8] or

3. Exceptions to this are Lisa Björkman, "You Can't Buy a Vote: Meanings of Money in a Mumbai Election," *American Ethnologist* 41:4 (November 2014): 617–34; Eric Kramon, "Electoral Handouts as Information: Explaining Unmonitored Vote Buying," *World Politics,* 68:3 (July 2016): 454–98; Paula Muñoz, "An Informational Theory of Campaign Clientelism: The Case of Peru," *Comparative Politics* 47:1 (2014): 79–98; Anastasia Piliavski, "India's Demotic Democracy and Its 'Depravities'," in Anastasia Piliavski (ed.), *Patronage as Politics in South Asia* (Cambridge: Cambridge University Press: 2014): 154–75; Lawson and Greene, "Making Clientelism Work: How Norms of Reciprocity Increase Voter Compliance," *Comparative Politics* 47:1 (October 2014): 61–77.

4. Simeon Nichter, "Vote Buying or Turnout Buying? Machine Politics and the Secret Ballot," *American Political Science Review* 102:1 (February 2008): 19–31. Other examples however suggest that handouts are delivered to selectively *depress* turnout: Gary W. Cox and J. Morgan Kousser, "Turnout and Rural Corruption: New York as a Test Case," *American Journal of Political Science*, 25:4 (1981): 646–63.

5. Javier Auyero, "The Logic of Clientelism in Argentina: An Ethnographic Account," *Latin American Research Review* 35:3 (2000): 55–81; Brusco, Nazareno, and Stokes, "Vote-Buying in Argentina," *Latin American Research Review,* 39:2 (2004): 66–88; Susan Stokes, "Perverse Accountability," *American Political Science Review* 99:3 (2005): 315–25.

6. Brusco, Nazareno, and Stokes, "Vote-Buying in Argentina."

7. Federico Finan and Laura Schechter, "Vote-Buying and Reciprocity," *Econometrica* 80:2 (2012): 863–81.

8. Rajni Kothari, "The Congress 'System' in India," *Asian Survey* 4:12 (December 1964): 1161–73. On the strong Congress organization that once prevailed over much of India, see also Myron Weiner, "Changing Patterns of Political Leadership in West Bengal," *Pacific Affairs* 32:3 (September 1959): 277–87; F. G. Bailey, *Politics and Social Change* (Berkeley: University of California Press, 1963); Steven I. Wilkinson, "Explaining Changing Patterns of Party-Voter Linkages in India," in Herbert

the Peronist party described in much of the literature on Argentina—they are unable to do so. As illustrated in this article, they instead distribute gifts in competitive environments in which multiple actors distribute gifts to overlapping groups of voters, and in which none of these actors monitors these influxes of cash. Recent studies on Kenya, Peru, and Mumbai suggest that electoral handouts may be at least as prevalent in such competitive contexts, where few of these actors are likely to have the equivalent of a "machine" on the ground. Scholars have developed a variety of alternative arguments—insisting on the informational, relational and cultural roles of handouts—to explain these patterns.[9]

In this article, I rely on qualitative data from a single case to show that another, so far overlooked explanation may account for handout-distribution patterns in competitive contexts. Building on Björkman,[10] I explore the rationale of gift-givers in several constituencies of Mumbai, in two different types of elections. In these constituencies, candidates and parties did not engage in the costly monitoring inherent in machine-based strategies. Yet, all serious candidates showered cash on poor communities during campaigns. And while the handouts were generalized, some of the candidates provided more handouts than others, leading to dramatic differences in expenses across candidates.

These patterns raise two important theoretical questions about the motivations of gift-givers in competitive contexts such as contemporary Mumbai. First, what motivates candidates to provide handouts, when they know that their opponents also provide them, and when they know that they cannot monitor the effects of these multiple influxes of money? Second, why do some candidates hand out more than others?

As suggested above, and as detailed in the ethnography I draw on in this article, "machine-based" explanations cannot explain these patterns: most parties do not have machines in Mumbai. Drawing on observations and interviews of low-level party operatives, I also show that alternative explanations insisting on the informational, relational or cultural role of money, while they may explain why candidates without monitoring capabilities

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Kitschelt and Steven I. Wilkinson (eds.), *Patrons, Clients, and Policies: Patterns of Democratic Accountability and Political Competition* (New York: Cambridge University Press: 2007): 110–40.

9. Kramon, "Electoral Handouts"; Muñoz, "Informational Theory"; Björkman, "You Can't Buy a Vote"; Piliavski, "India's Demotic Democracy"; Lawson and Greene, "Making Clientelism Work."

10. Björkman, "You Can't Buy a Vote."

provide handouts, generally do not explain differences in spending, nor how handouts are delivered.

This leads me to propose a different explanation for the behavior of handout-providers in Mumbai, and beyond, in competitive polities. I argue that candidates face a prisoner's dilemma in these contexts. As noted above, a variety of factors, including identity, partisanship, and ideology, influence Indian voters' electoral choices, and political operatives readily acknowledge that handouts constitute a particularly uncertain strategy. Yet they also believe that deviating from the strategy adopted by others is exceedingly risky. This is because a fraction of the electorate is believed to choose from among the candidates who provide handouts, disqualifying those who do not. This leads them to provide handouts to counter, or neutralize, the effects of their opponents' probable handouts and minimize the chance that they lose an election because they did not bid for handout-responsive voters. In game-theoretical terms, the combined presence of handout-responsive voters and multiple gift-givers, in a context of limited information and small electoral margins, makes gift-giving a dominant strategy. This strategic argument also explains why candidates end up spending different amounts: since candidates feel unequally vulnerable to handout-responsive votes, some need to spend more than others to neutralize their opponents.

This suggests that handouts may have different rationales across contexts. It also illustrates how clientelistic strategies can survive in the absence of machines, and when competition is stiff. This calls for more sophistication in the literature on handouts.[11] Contrary to what has sometimes been argued,[12] it can be rational for candidates who face stiff competition and who cannot monitor voters to distribute handouts. But, in such contexts, these handouts are defensive attempts to split handout-responsive voters rather than attempts at vote-buying per se. This also suggests that the rising levels of competition in India over the past 30 years may contribute to the omnipresence of handouts in the country today. In that sense, the increased visibility of handouts in Indian elections may owe more to a systemic

11. In addition to the aforementioned works on clientelism, see Susan Stokes, Thad Dunning, Marcelo Nazareno, and Valeria Brusco, *Brokers, Voters, and Clientelism: The Puzzle of Distributive Politics* (New York: Cambridge University Press, 2013).

12. Fabrice Lehoucq, "When Does a Market For Votes Emerge?" in Schaffer, *Elections for Sale*, 17–30.

cause—the overall increase in political competition—than to the declining morality of Indian politicians.

THE PATTERNS: HANDOUTS IN MUMBAI ELECTIONS

To explore handout-distribution strategies in Mumbai, I rely on a combination of ethnographic observations and interviews of party operatives. To maintain the anonymity of the operatives I followed and interviewed, I will refer to the neighborhood of Mumbai in which this fieldwork took place as Savli.[13] As detailed in Appendix A,[14] Savli is an ethnically and socially diverse constituency,[15] and most importantly, one in which political competition has been fierce for decades. On each of these dimensions, Savli is thus not an outlier in Mumbai.[16]

As detailed in Appendix B, these data were gathered over a period of 32 months, which included two elections: the 2014 legislative election and the 2017 municipal election. A combination of observations in two wards of Savli during these two campaigns and interviews of political workers in between these elections allows me to uniquely document how handouts are distributed. It also allows me to estimate how much the main candidates spent on handouts in the assembly constituency in 2014 and in two municipal constituencies within the Savli assembly constituency, in 2017. Finally, this strategy allows me to discuss whether political workers thought these handouts to be effective.

How Were Handouts Distributed?

To answer this question, it is first necessary to clarify what I consider to be handouts. I have defined handouts above as gifts made during campaigns. Following this definition, some transfers between candidates and voters do not qualify as handouts; for instance, transfers outside of campaigns, for which the expectation of voting for the candidate is less clear.[17] In addition,

13. There is no constituency called Savli in Maharashtra. I also change every name in what follows.

14. Appendices for this article are not included in the text. They are available in raw, unedited form at <http://www.simonchauchard.com/research-2/>.

15. As of 2014, Savli had over 450,000 inhabitants and over 350,000 voters.

16. I discuss the external validity of my observations in the final section.

17. Interviews suggest that gifts are sometimes delivered before the official campaign. Candidates attending religious ceremonies and community gatherings in the year leading to the election may provide community-level or individual-level gifts, or sponsor meals, as described by Piliavski

I do not count as handouts the transfers whose objective is explicitly *not* to influence their recipients. As noted by Chauchard (forthcoming)[18] and in Appendix C, a major share of the unaccounted-for funds spent during campaigns in India and in Savli are allocated to various wages, paid in exchange for tasks or work done during the campaign. Since candidates and their entourages explicitly distribute these sums in exchange for work, and do not directly describe them as related to influence, I do not treat them as handouts.[19]

With these clarifications in mind, observations and interviews—documented in Appendix D—suggest that Savli candidates deliver handouts in at least two different ways during campaigns. Candidates first provide lump payments to influential citizens (housing society presidents, temple or mosque association presidents, regional or caste association presidents, and union leaders). Accounts across party lines suggest that these transactions typically take place in the weeks leading up to elections. Usually, the candidate or a very close associate, often a family member, arranges for the delivery of the cash. A senior associate of the candidate who knows the area often accompanies him. Interestingly, lower-level party workers are—much to their chagrin—almost never involved in these transactions, presumably because they cannot be trusted. Because the lump sums received by locally influential citizens as part of this strategy are said to be enormous (on the order of 1,000 rupees, or US$ 15, per voter in their community, for a total that often amounts to several hundred thousand rupees), it is likely that the largest portion of the funds allocated to handouts are delivered in that manner.

But another type of handout existed in Savli, resembling patterns that are reportedly common in rural India.[20] In addition to lump payments delivered to influential citizens, money from several candidates trickled down through party networks, which led to gifts in kind (especially liquor) and cash handouts being showered directly on ordinary voters in a secretive but relatively

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("India's Demotic Democracy"). Since I focus on campaign periods here, I may be understating the importance of such events. But interviewees overwhelmingly agreed that most handouts are delivered in the last few weeks of campaigns.

18. Simon Chauchard, "What Costs So Much in Indian Elections? Intuitions from Recent Electoral Campaigns in Mumbai," in Devesh Kapur and Milan Vaishnav (eds.), *Costs of Democracy: Political Finance in India* (Oxford University Press, forthcoming).

19. Though including them would not change my conclusions.

20. Shivam Vij, "An Election in Matsura," *The Caravan*, August 1, 2010, <http://www.caravanmagazine.in/reportage/election-matsura>.

indiscriminate manner during the last few hours of the campaign. This indiscriminate distribution was limited to the poorest areas and the ones in which voters were the least organized. Discussions with party workers on election day hinted that nightly meetings during which such handouts are delivered had occurred at many locations.

These patterns suggest two important points. First, both types of handouts were handled in a similarly secretive manner, contrary to what scholars have reported about other Indian elections.[21] While the risk of *legal* sanctions partly explains this secretiveness, interviews with political operatives suggest that it may also be due to the risk of *social* sanctions. This is because richer voters, whom political operatives did not target with either type of handouts, frequently expressed concerns about the handouts, which they disapproved of. Insofar as each candidate's electorate was in part constituted by voters motivated by programmatic or ideological concerns, the handouts were best kept secret.

Second, the vast majority of voters in Savli did *not* receive any electoral handout. There are two reasons for this. First, only the poorest and most vulnerable communities (mostly, slums) were targeted. Second, many payments never actually reached voters—the local influencers targeted by candidates, who were expected to redistribute the handouts, instead retained much of the funds.

How Much Did Candidates Distribute?

Estimates patiently collected from workers from all parties after the elections suggest that campaigns were extremely expensive, that candidates routinely spent many times the legal limit, and that a large fraction of all the funds spent during campaigns was spent on handouts. Appendix E describes the methodology behind these estimates, while Appendix F explains why candidates were able to spend much more than the legal limit. Estimates by Savli political workers regarding the 2014 assembly elections suggest that the Shiv Sena (SS) candidate—a serious contender[22]—had clearly spent the least of the serious candidates, somewhere between 1 and 2 crore rupees,[23]

21. Piliavski, "India's Demotic Democracy."

22. I refrain from providing final vote shares to maintain anonymity.

23. A crore is ten million rupees. In dollars, that candidate thus spent somewhere between US$ 153,000 and US$ 306,000, or three to six times the legal limit.

a relatively small fraction of which (estimated at 19% on average, across our interviewees) had been spent on handouts. The Bharatiya Janata Party (BJP) and Indian National Congress (INC) candidates, also seen as serious contenders, had spent far more: estimates vary from 1 to 5 crore (US$ 306,000–765,000) for the BJP candidate, and from 2.5 to 6 crore (US$ 382,000–918,000) for the INC candidate,[24] with a more serious fraction of these amounts (40% and 42%, respectively) spent on handouts. Finally, the National Congress Party (NCP) candidate, who was *not* a contender at the beginning of the race—the NCP is traditionally very weak in Savli—but ended up with a vote share in the high single digits, surpassed all of these candidates, with estimates ranging from 9 to 16 crore rupees (US$ 1.4 million to 2.5 million) (that is, 27–45 times the legal limit), most of which (64%) had been spent on handouts.

While they are noisy, these estimates suggest that all the main candidates spent massively more than the legal limit, and that they all distributed handouts. But there were important differences across candidates. While the SS candidate was described as a small spender even though he had massively exceeded legal limits, the NCP candidate spent far more than all the others. This behavior had quickly earned him the reputation of a "money-power candidate," since he had neither a reputation as a politician to uphold (he was a wealthy developer and businessman by profession) nor a strong organization on the ground.

Estimates for the 2017 municipal elections in Wards ABC and DEF (summarized in Table 1) suggest patterns consistent with these. In Ward ABC, there were four serious contenders (one each from the INC, SS, and BJP, plus an independent), each of which ended with a vote share above 10%. Here again the SS candidate had reportedly spent the least, with estimates ranging from six to 11 times the legal limit; the independent had reportedly spent between four and 15 times the legal limit. The INC and the BJP candidates had, in all workers' opinions, spent the most, each between 20 and 30 times the legal limit. Estimates across interviewees from all parties suggest that these candidates had allocated between 36% and 61% of their inflated budgets to these handouts. In Ward DEF, there were only three serious contenders (one each from the BJP, INC, and SS). As during the 2014 assembly elections, and

24. That is, 3–15 times the legal amount for the BJP candidate, and 7–18 times the legal amount for the INC candidate.

TABLE 1. Spending in Local Elections Across Candidates (based on subjective estimates; collected by the author – see Appendix A for methodology).

*Candidates**	*Estimates of Total Spending*	*Estimated % of Total Spending on Handouts*
2014 Assembly Elections		
1. Shiv Sena (SS)	rps. 1-2 crores	19%
2. INC	rps. 2.5-6 crores	40%
3. BJP	rps. 1-5 crores	42%
4. NCP	rps. 9-16 crores	64%
2017 Municipal Elections, ward ABC		
1. Shiv Sena (SS)	rps. 0.6 - 1.1 crores	36%
2. INC	rps. 2 - 3 crores	48%
3. BJP	rps. 2 - 3 crores	61%
4. Independent	rps. 0.4 - 1.5 crores	53%
2017 Municipal Elections, ward DEF		
1. Shiv Sena (SS)	rps. 0.4 - 0.6 crores	30%
2. INC	rps. 1 - 2 crores	65%
3. BJP	rps. 0.8 - 1.6 crores	44%

SOURCE: By author
*Serious candidates (>10% final vote share).

as in the election in Ward ABC, all three candidates spent large amounts on handouts, with the SS candidate spending the least.

The Conflicting Views of Political Workers

In the absence of disaggregated data listing the handouts distributed in each area, estimating their effect is challenging. Whether vote shares correlate with spending provides a coarse sense of the efficiency of handouts. But we do not know what vote shares candidates would have received had handouts *not* been distributed. Since they themselves lacked precise information, measuring the effect of handouts was similarly challenging for political workers. Interestingly, two conflicting views emerged in our exchanges with workers, frequently over the course of the same discussion.

According to the first view, handouts made at best a small difference. To illustrate this view, workers commonly referred to the fate of big spenders

such as the NCP candidate in 2014: though by far the biggest spender, he had finished fourth. Of the 80 workers from all parties that my collaborators (Kaushik Koli and Hanmant Wanole) and I interviewed, not a single one estimated that handouts actually influenced more than 10% of the voters receiving them. The modal response was 2%. Workers justified this pessimism in two ways. First, they blamed the notables to whom candidates delivered lump payments for not fairly redistributing these resources, and hence for preventing these sums from having a greater impact. Second, workers blamed the recipients themselves, who had "gotten clever": having realized that their behaviors were not properly monitored, they frequently accepted several handouts and "betrayed" candidates.

While this pessimism regarding the effectiveness of handouts was common, many workers also insisted on the absolute necessity of handouts, often in the same discussion. While they mocked the NCP candidate, workers of all parties noted in repeated interviews that he had performed surprisingly well given his lack of experience and the organizational weakness of his party, suggesting that handouts had bought him *some* votes. More important, all continued to provide versions of a similar assertion, indiscriminately applied to all candidates: "a lot of cash is necessary"; "without cash one cannot win today"; "one needs crores in order to stand a chance today," and so on. Rikhil, a BJP ward-level leader who had repeatedly complained about the inefficiency of handouts, also insisted on the inevitability of handouts:

> What can I say? Sadly, this is just the way it is now in politics. You *have* to spend. There is no other way around this, at least right now. Even we, even with the Modi factor,[25] we might get wiped out if we did not [distribute handouts]. A few votes make the election, voters are independent, and we like to take no risk.[26]

Aditya Yadav, a younger BJP ward-level leader, offered a more metaphorical flourish on the same point, which best summarizes the thoughts of many workers on campaign finance: "Cash in elections is like putting gas in a motorbike. If you don't put gas in the bike, you never get to your destination. But you do not get there faster if you put [in] more gas."[27]

25. The "Modi factor" refers to the fact that Narendra Modi had won the general elections, in a landslide, only a few months before. Most observers thus saw the BJP as the likely winner of the 2014 State Assembly elections, which state-level results confirmed.

26. Interview with the author, November 6, 2014.

27. Interview with the author, March 20, 2015.

In light of the patterns exposed in this section, a robust explanation for handouts needs to explain why all candidates provided them, but also why some provided less than others. It also needs to explain why handouts were delivered in a secretive manner. Finally, if campaign workers' views are to be trusted, an explanation for handouts will articulate why they were perceived as necessary but not sufficient.

THE LIMITATIONS OF EXISTING EXPLANATIONS

Previous arguments about electoral handouts have a limited ability to explain these patterns.

The Limitations of Machine-Based Arguments

It is hard to interpret these handouts as the first part of a clientelistic exchange monitored by party machines, since most parties in Savli did not have strong organizations. While the SS arguably resembles the well-oiled machines encountered in the comparative literature on patronage,[28] the other parties active in the constituency, the INC and the BJP, do not. There are several reasons for this. The first is that these organizations rarely extend down to the polling booth level: even though local leaders routinely pretended otherwise, many booth-level positions remain either unfilled or poorly filled. As a result, neither the BJP nor the INC systematically had an "active worker" able to interact with voters in every polling booth during the 2014 and 2017 elections.[29] More generally, the number of active workers attached to these parties remained small compared to the overall number of voters. While ward-level party leaders we interviewed routinely claimed to control over one thousand workers (numbers comparable to those reported by Björkman; that is, a worker for every 50 voters), our observations suggest that these numbers

28. For an example, see Brusco, Nazareno, and Stokes, "Vote-Buying in Argentina."

29. Party leaders at the local level differentiate between "active workers" (*karyakartas* in Hindi) and simple workers. As Rikhil, a local BJP leader, put it during one of our conversations, "Active karyakartas are those who show up at every meeting, are committed to the ideology of the party, and are with us regardless. Others are people we know probably vote for us, but who do not necessarily want to work too much. These are people we try to involve at election time, so that they speak to others. But this is really limited to the few weeks during which we campaign . . . and usually we have to pay them something."

were shamelessly inflated. This numerical weakness made monitoring impossible in most areas.

The second reason is that party organizations in Savli, in the few wards in which they actually extend down to the booth level, are ephemeral: while many party workers at the lowest levels continue to engage in "social work" between campaigns, most are inactive, including many who are very active during campaigns. The third reason is that many of these workers switched allegiances in rapid succession, or declined "political work" when better opportunities emerged. More generally, many of the individuals who ended up campaigning at the local level for these parties were better described as freelancing brokers, whose alliance to a party during a specific campaign was both circumstantial and noncommittal. In line with this, boundaries between parties were very porous at the lowest levels of parties. In sum, as illustrated in our field notes, a telling excerpt of which is reproduced in Appendix G, the two parties that have alternately won the Savli State Assembly seat (BJP and INC) had a number of weaknesses: the venal motivations of their workers, the porous nature of party boundaries at the local level, poor loyalty, and weak control by party higher-ups over these workers. These weaknesses imply that most parties could not have monitored voters.

Candidates and their workers, including in areas where they had stronger organizations, did surprisingly little to monitor the behavior of handout recipients. Despite dogged attempts at documenting such monitoring, our notes repeatedly illustrate the lack of meticulousness with which workers operated:

> In [area name], election day is quiet. . . . We spend time with the young guys who have been hired to hold "tables" for various parties [tables for electoral slips indicating where to vote etc. are provided by each party to voters]. These kids are not even *karyakartas* [party workers]. They do their job—find the slip corresponding to each voter—but they do not make any notes re: whom they gave those slips to. Nobody supervises them. . . . At night, after the polls have closed, we met Fatima's son, who was an electoral agent for the Congress inside the booth. He apparently did this for the money—he is supposed to get 1,000 rupees from the party. When we ask him whether he has kept track of who came to vote, he answers that he did. But when we ask him if he has communicated this to anyone, he tells us that no one has asked, and that he has actually disposed of the files.[30]

30. Author's notes, October 15, 2014.

Repeated interviews with workers from all parties confirmed these observations about the weakness of monitoring strategies. While they were knowledgeable about city politics, most booth-level workers remained unaware of the precise results in their own polling booth after the elections. When we asked them about the voting patterns of specific voters from their own booth area,[31] they typically struggled: most were simply unaware of who had turned out to vote, let alone whom these voters had selected. Their tone implied that no such knowledge was usually expected of them.

Party higher-ups were equally ignorant about the behavior of individual voters, because they did not know the vast majority of these voters in the first place, and because booth-level workers never assembled systematic data for them to review. Most surprisingly, they did not pay much attention to booth-level results. When asked why they did not put more stock in that data to "sanction" targeted voters who had not turned, most workers reacted with puzzlement: sanctioning voters struck them as a miscalculation. Several reasons were cited. First, since handouts were often channeled through unreliable local leaders, candidates were reluctant to blame anyone in particular. As mentioned by Srinivasan (INC): "You may be angry at the leader who took your money, but there is no reason to be mad at voters. It's probably not their fault." SS workers did indeed recount tense meetings between candidates and local leaders after elections, but also noted that local influencers often got out of trouble by blaming the voters of their areas for not implementing their part of the deal.

Second, candidates had very imperfect information as to whether *other* candidates had provided handouts in a given area. Most workers we privately interviewed after elections admitted that candidates routinely got "fooled" by intermediaries pretending to deliver votes, only to chase additional payments.[32] Third, party workers generally lacked a clear sense of voters' responsiveness to handouts. Not knowing whether voters really received the handouts, how many candidates distributed them, or what their effect should be, the idea of sanctioning voters made little sense to

31. As done by Mark Schneider in "Do Brokers Know Their Voters? A Test of Guessability in India" (unpublished paper).

32. Repeated conversations with workers suggested that candidates and their entourages ran some sort of a background check before making community-level payments, but most workers agreed that even careful investigation could not guarantee that a deal was exclusive, and examples to the contrary abounded. For individualized and untargeted last-minute handouts, no such verifications existed.

workers because they had no precise expectations of what their performance should have been.

Additional aspects of the handout-distribution process in Savli did not square with machine-politics arguments. Nothing for instance suggested that parties were channeling funds toward either core or swing voters.[33] Leaders could enumerate areas in which they would never deliver handouts: areas that were very strongly identified with one of the candidates (because they resided or had their office there) and areas in which voters were "too rich to be moved by gifts."[34] But beyond these areas, our limited observations of targeting strategies suggest that each candidate targeted an extremely wide array of caste, regional, and religious groups, with some surprising targets given the ethnic labels attached to these parties. By contrast, allocation decisions during campaigns were often strategic and defensive. For instance, in 2014, the INC candidate spent a fair amount of money in a ward that was a likely stronghold for him (Ward ABC), *after* he had been pressured to do so on hearing about disproportionate spending by the NCP candidate in that area.

The Limitations of Informational, Relational, and Cultural Arguments

Alternative arguments insisting on the informational, relational, and cultural roles of money in elections have emerged over the past few years. Several authors have argued that providing handouts enables candidates to signal their wealth, and hence their viability or competence.[35] Along the same lines, Björkman argues that cash spent by candidates during campaigns is not meant to buy votes, and suggests that it does not directly influence voters' choices.[36] While she notes that handouts signal access to powerful networks, Björkman implies that they have little to do with short-term cash-for-vote exchanges. Finally, Piliavski, as well as Lawson and Greene, rely on norms to explain handouts.[37] Piliavski suggests that voters in rural Rajasthan expect patronage, feasts or handouts from candidates, and are unwilling to support them if campaigns do not include such election-time redistribution. In another context, Lawson and Greene show that reciprocal obligations

33. As suggested by Stokes et al. in *Brokers, Voters, and Clientelism*.
34. As mentioned by Rikhil in an interview with the author, May 4, 2015.
35. Kramon, "Electoral Handouts as Information"; Muñoz, "Informational Theory."
36. Björkman, "You Can't Buy a Vote."
37. Piliavski, "India's Demotic Democracy"; Lawson and Greene, "Making Clientelism Work."

between candidates and voters make handouts relatively safe from candidates' standpoints. Both cases suggest a cultural explanation for handouts: when it is the norm to exchange handouts for votes, candidates should be expected to engage in handout strategies.

While they explain some of the patterns listed in the preceding section, these alternative arguments cannot explain all of them. The fact that some of the funds were spent on generating crowds for campaign events supports informational arguments. Workers frequently thought it was necessary to spend large amounts to generate crowds "because a small crowd would look bad," "because the candidate would look weak" otherwise, or "because it is important to show that you have support." All of these statements suggest that establishing viability was a key concern for the main candidates. This interpretation also helps explain some of the variation across candidates. It for instance explains why the NCP candidate, a millionaire without a reputation, initially seen as a non-player, did spend much more than others in 2014: because his viability was not established, unlike the other "big" candidates.

Yet informational arguments do not explain many other patterns listed above. For one, they do not explain why candidates secretively distributed handouts instead of spending their funds on more visible forms of advertising. Besides, signaling arguments of this type fail to explain the behavior of most candidates. They do not explain the behavior of candidates from established parties, especially the BJP and INC candidates, whose record or character were already known before the elections in 2014, and who were obviously viable in upcoming elections, either because they belonged to the leading party or because polls had long predicted the victory of their party (in the case of the BJP candidate in 2014). They do not explain why SS candidates tended to spend less than other candidates across elections in Savli.[38]

The patterns described above are not entirely consistent with the idea that handouts are constitutive of long-term relationships.[39] How and when handouts are distributed does not easily square with this hypothesis. The fact that candidates multiply gifts immediately before elections ("for maximum effect," according to one worker), often in the most secretive manner, is hard to reconcile with the idea that handouts are *not* meant to influence the

38. While the SS is generally dominant in Mumbai, it has not always been in Savli, and signaling the viability of the party's candidate could have helped.

39. Björkman, "You Can't Buy a Vote."

behavior of voters. Besides, this explanation does not square with the identity of the communities targeted by candidates' gifts. If gifts were constitutive of long-term relationships between voters and leaders, we would expect candidates to deliver handouts neither to communities to which they had delivered little in the past nor to communities to which they had recently delivered much. Yet both cases were common in Savli.

Cultural explanations can explain why *all* serious candidates delivered handouts before every election. But they fail to explain many of the patterns described above. Given the pessimism of political workers, it is hard to argue that candidates delivered handouts because they expected voters to follow reciprocal norms and vote for them after receiving a handout, as suggested by Lawson and Greene.[40] Also, the fact that candidates only targeted *some* slum dwellers, and refrained from such distribution in the richer sections of Savli, is not consistent with the idea that voters generally expect handouts from candidates, as may be true elsewhere[41]: if candidates distributed handouts mostly because they knew voters expected it, they would be less selective in their distribution. Most importantly, cultural arguments of this type explain neither the differences in amounts across candidates nor the reactivity of candidates to their opponents' spending: if voters generally expect handouts, why would some candidates provide them and others not? And why would some candidates wait for their opponents to spend before they themselves do?

In sum, none of these explanations fully explains the patterns observed in Savli. In the following section, I argue that this is because these explanations do not take into account the competitive context in which handouts are often distributed. When multiple candidates distribute handouts, and when voters may receive several handouts, the motivations of the different candidates cannot be understood in isolation. Why then did all main candidates in Savli simultaneously provide handouts and frequently target the same areas? And why did they nevertheless spend different amounts?

HANDOUTS AS A PRISONER'S DILEMMA

To explain the behavior of all candidates, a different explanation is needed. In a context of weak information and high competition, I argue that candidates

40. Lawson and Greene, "Making Clientelism Work."
41. Piliavski, "India's Demotic Democracy."

provide handouts because they fear that their opponents will provide them, and thus corner the votes of the small group of voters who are seen to respond to handouts. Since a few votes might tip the balance in tight races, candidates provide handouts to split these votes with their opponents.

This argument relies on three claims. The first claim is that candidates have very imperfect information as they make decisions about handouts. Since most payments are indirect, they do not know the extent to which voters ever receive them. As summarized by Rikhil (BJP), "One never knows whether voters really receive handouts, or how many do." Second, they have imperfect information about the allocation decisions of their opponents—both how much they spend and where they distribute it. Ali, a senior INC worker very close to the candidate, best summarized this on the eve of the 2014 election, as his teams frenetically tried to track rumors in the constituency: "Frankly, we do not know anymore where they spend. We tried to keep track until last week, but so much has been spent now that we can only guess." Third, candidates have a very imperfect sense of voters' preferences during the campaign, before the handouts. While this was true of all candidates, even the BJP candidates in 2014 and 2017 were measured in private interactions, since they widely described the electorate as "capricious" and young voters as uninterested. Fourth, workers have a very uncertain sense of voters' responsiveness to handouts. This is precisely because political networks have never properly attempted to measure this responsiveness. "How do you want me to answer this question," asked one frustrated interviewee, "since we have *never* been able to keep track?"

Thus, candidates make costly decisions on handouts from very imperfect information. None of our interlocutors pretended otherwise. Party higher-ups such as Ravindran (INC) lamented the nerve-racking situations this weak informational environment placed them in: "This is a weird situation in India now. You spend so much, but even that cannot give you any comfort, since many things could happen until the last minute." Booth-level workers such as Fatima, while less invested, were similarly puzzled by this *equilibrium:* "These people [likely, candidates] are crazy. They spend without understanding anything about this place."

The second claim on which my argument relies relates to candidates' beliefs about the efficacy of handouts. Simply put, candidates believe that they are better off providing handouts than not providing them, however inefficient this process might be. As noted above, many factors affect voters'

preferences in Indian elections, including the ethnicity, personality, and ideology of candidates and of the parties they represent. While political workers acknowledge this, they also frequently noted that a small, hard-to-identify, yet strategically important fraction of the urban electorate, usually poor voters, also react to monetary inducements. Because these handout-responsive voters are hard to identify, workers described handouts as risky and inefficient bets. Yet they also quasi-universally agreed that attempting to target these voters with handouts was beneficial in terms of votes. While they typically described the rate of return on handouts as low, *none* of them described it as zero or negative. Most workers tied this remarkable ability to spend large amounts on actions seen as relatively inefficient to the fact that "money is easy to find in Mumbai" (Srinivasan, INC). In light of the high returns from public office,[42] several types of actors are ready to provide generous funding to candidates of their choice. In Mumbai, developers and contractors hoping to influence zoning laws—or obtain contracts—are obvious examples.[43] Because, once they are in office, the paybacks to be obtained from these candidates can be enormous. Thus, providing large funds to candidates during the campaign may be advantageous in the long run, even if costs in the short term are steep. Under these conditions, candidates are likely to underestimate the cost of handouts during electoral campaigns. This further increases the likelihood that they will provide handouts.

While they agreed that easily available funds made careful deliberation about the efficacy of handouts superfluous, workers noticeably disagreed on the mechanism(s) that gave handout-providers a few additional votes. Some of the workers cited arguments similar to those formulated by authors highlighting the informational or the relational value of handouts: voters appreciate wealthy or generous candidates because they favor candidates perceived as viable, and because big spenders are more likely to be seen as such. Others suggested that handouts create a sense of reciprocity among voters.[44] Yet others noted that handouts provide different, longer-term benefits: big spenders may for instance find it easier to obtain a party ticket in

42. Kanchan Chandra, "The New Indian State: The Relocation of Patronage in Post-liberalisation India," *Economic and Political Weekly*, 50:41 (October 10, 2015): 46–58.

43. Milan Vaishnav and Devesh Kapur, "Quid Pro Quo: Builders, Politicians, and Election Finance in India" (unpublished paper).

44. Allen Hicken, Stephen Leider, Nico Ravanilla, and Dean Yang, "Measuring Vote-Selling: Field Evidence from the Philippines," *American Economic Review*, 105:5 (2015): 352–56.

subsequent elections. But the absence of a common explanatory mechanism did not prevent workers and candidates from agreeing that handouts help. In that sense, the reasoning that leads candidates to deliver handouts in Mumbai resembles the reasoning that leads candidates to overspend on advertising (for instance, TV ads) elsewhere: the absence of evidence that a strategy "works" and the absence of a clear explanatory mechanism for why it might work do not suffice to dissuade actors from using said strategy. Since there was no agreement as to why handouts helped, my argument remains agnostic on this point. It does not advance one of these hypotheses over the others. It simply states that all candidates perceived the handout strategy to yield some votes, at a very low rate of return. In that sense, it brings informational and cultural arguments into a more strategic framework (with multiple distributers) more than it contradicts them.

Third, even if candidates generally believe handouts only provide a small advantage, they also believe the rate of return on handouts to be heterogeneous across subgroups of voters, and to be null in some cases. Because of this, candidates are not always equal when it comes to turning handouts into votes. The Shiv Sena (SS) is a case in point. While this was *not* the case for the other main parties, the SS remains, in spite of its recent mutations, a polarizing force strongly associated with one specific group (Marathi voters).[45] Because of this, workers across party lines consistently described the party as being at a disadvantage when it came to handouts. Since most poor voters in Savli were either migrants or Muslims, groups that SS party leaders have explicitly excluded in the past, workers across party lines agreed that SS candidates would be "100% fools," in the words of a young SS worker, to deliver handouts on a large scale. This is because non-Marathi voters receiving handouts from the SS would have been extremely unlikely to change their behavior, especially if they had simultaneously received other handouts.

Taking these three claims into account, the motivations of candidates should become clearer. If handouts are believed to provide an advantage to candidates who distribute them, if other candidates are widely suspected of delivering them, and if candidates generally lack a way to predict the destination of these handouts or to predict vote patterns, we should expect all

45. The term Marathi refers to Marathi-speakers. Marathi is spoken in Mumbai and across the state of Maharashtra. As a nativist party, the SS has long claimed to champion the interests of "local populations" (defined as Hindu Marathis) against those of migrants and religious minorities.

candidates who *can* mobilize funds to provide handouts, though not at equal rates. This should occur even if they are unable to monitor their effect, simply because delivering handouts allows candidates to bid for and thus to receive part of the handout-responsive vote.

To understand why such equilibrium should be common, one may outline a possible model of voters' responsiveness to handouts in competitive systems (i.e., where multiple handout providers exist). Suppose, first, that only one candidate provides handouts. In this case, the probability that targeted voters favor her increases by a factor of p, with $p \geq 0$.[46] This reflects an assumption that handout-responsive voters on average have a more favorable (or at least, unchanged) view of the handout-provider when they receive a single handout. By contrast, when several candidates distribute handouts, handout-responsive voters simultaneously develop more favorable views of several handout-providers: their view of candidate 1 increases by a factor of p, with $p \geq 0$, and their view of candidate 2 increases by a factor of q, with $q \geq 0$. In this case, since both candidates are now more favorable in the voters' eyes, handouts essentially nullify, or at least reduce, the effect of opponents' handouts. In light of my third claim, it is important to specify here that p and q fluctuate across groups, and that they should not necessarily be expected to be equal overall. This implies that within some groups, some candidates may benefit more than others when voters receive multiple gifts.

Providing handouts remains useful unless p or q is thought to be zero (which was arguably the case for the SS in some communities in Savli), since any influence factor greater than zero implies that candidates will obtain part of the handout-responsive vote. Wherever elections are tight and/or unpredictable, this strategy, however inefficient or costly it might be, may appear necessary to candidates. Simultaneous reasoning of this type by all players can easily lead to a prisoner's dilemma: even if this is not their mutually best strategy, candidates provide handouts because each of them individually sees this as a dominant strategy, and because they are unable or unwilling to cooperate in a context of heated political competition.

This model explains the patterns listed above better than the alternatives. It explains why handouts were often delivered late in the campaign: namely,

46. Again, the number of handout-responsive voters is likely to be very small in the first place. But that will not discourage candidates from bidding for these votes, since in a tight race every vote counts, and since mobilizing funds is relatively easy.

because spending was often reactive to rumors about the spending of other candidates. It also explains why *leading* candidates, that is, candidates who presumably did *not* need to advertise their qualities as much as new candidates, kept spending during the 2014 and 2017 campaigns: because of uncertainty about the spending of others, and about its potential effects. In the absence of communication or information on other candidates, candidates provide handouts because they fear that other competitors will do so, and because *not* providing handouts might be disastrous in a context in which vote margins are small and in which voting patterns have become increasingly volatile or unpredictable. In that sense, leading candidates often distribute handouts in competitive contexts to avoid losing votes rather than to buy them. Finally, it explains why handouts are perceived as necessary but not sufficient to win elections. In this model, handouts never guarantee victory, in light of the many unknowns listed above, and since many other factors are known to influence voters' decisions. But they guarantee a fair shot at influencing the behavior of the small group of handout-responsive voters, crucial voters in a tight race. Finally, this model can explain differences in spending across candidates, and specifically, why the SS spends—as is widely known around Mumbai—remarkably less than its opponents during campaigns, though its candidates can presumably mobilize large sums.

BEYOND MUMBAI

Beyond the case explored in this article, competitive polities should frequently lead to prisoner's dilemmas of this type if candidates attach a high value to handout-responsive votes. This should be the case wherever leading candidates project that they do not have a large advantage over their opponents. This would be the case in most polities in which vote margins tend to be small and election results volatile. Such pressure to provide handouts is also likely wherever an abundance of potential campaign funders exists. This should especially be the case in polities in which elected officials are able to use their time in office to accumulate large private resources, dispense political favors and where state capacity (in this case, the state's ability to curb illegal behaviors) is, on average, low. Wherever these scope conditions are met, we should often see candidates trapped in prisoner's dilemmas.

Constituencies less competitive than Savli exist, including in Mumbai. In India, many rural constituencies remain dominated by a single partisan

network resembling the old Congress pyramidal organization that once existed in most of India, whether in Orissa, Gujarat, or Bengal.[47] The literature on Latin America and Africa similarly describes contexts in which a specific party machine has managed to dominate the politics of a region for a several decades. In these cases, stronger party networks may lead candidates to distribute handouts for a reason different from the one exposed in this article.

But the politics of Savli also resemble the politics of many constituencies, in India and elsewhere. Emerging democracies are known, among other attributes, for fairly high electoral volatility.[48] Volatility, especially if it is combined with demographic growth and rising literacy, implies that parties do not control voters as well as they once might have, and that they cannot push a form of "perverse accountability" on them.[49] But volatility also implies that candidates feel increasingly uncertain about their likely vote share during campaigns, and increasingly threatened by their opponents. This uncertainty may lead candidates to distribute handouts for the reason outlined in this article: when an election hangs on few votes, candidates are unlikely to stay idle if they perceive that others are doing more than they are to influence voters. Bidding on a handful of votes at a high cost may be rational when campaign costs can easily be recouped.[50]

The great cost of handouts should logically lead candidates to change strategy in the long run. As noted by Stokes et al., candidates face incentives to engage in alternative campaign strategies when their costs spiral up.[51] But this supposes that a better strategy than the one involving handouts actually exists.

With time, some candidates may be tempted to build organizations that enable them to gather better information on voters or to better track the spending of their opponents; the BJP appears to be engaged in such efforts throughout India. Yet if competition and instability remain at their current levels, party higher-ups are not likely to be able to recruit many loyal,

47. Rajni Khotari, "The Congress 'System' in India," *Asian Survey* 4:12 (1964): 1161–73; Wilkinson, "Explaining Changing Patterns."

48. Scott Mainwaring and Mariano Torcal. "Party System Institutionalization and Party System Theory After the Third Wave of Democratization," in Richard Katz and William Crotty, *Handbook of Party Politics* (Sage, 2006): 204–27.

49. Stokes, "Perverse Accountability." The idea refers to a reversal of roles potentially generated by vote-buying. If and when votes are bought, and voters are monitored by a political machine, voters become accountable to candidates, rather than the other way around.

50. Chandra, "The New Indian State."

51. Stokes et al., *Brokers, Voters, and Clientelism.*

dedicated workers. As a result, it may not be cost-effective for a party to engage in such development. Besides, even if party officials could recruit influential workers, this should not entirely remove the dilemma that candidates currently face. Knowing *where* their opponents provided handouts should not discourage them from providing handouts themselves. Assuming that candidates want to receive the highest possible share of the handout-responsive vote, which should be the case in a competitive constituency, they should be better off providing handouts, to counter the potential effect of other candidates' handouts. The logic enunciated here should thus remain applicable until a single party confidently dominates.

A shift toward more programmatic forms of politics appears to be just as unlikely in an electorate that remains overwhelmingly poor and in need of access to basic local services. In this context, a possible route for elected representatives might be to develop a reputation for non-discriminatory constituency service,[52] and to hope that voters respond to it. But this also may be a costly strategy. Besides, none of these alternative campaign strategies is incompatible with handouts. As politicians adapt to a more competitive, and hence more uncertain environment, we should in fact expect them to combine strategies. As long as competition is as intense and unpredictable as it is in India, candidates should see handouts as necessary assurances, in spite of their apparent inefficiency. A dangerous cocktail of political competition, poor voters, and easy access to campaign finance should thus, in all likelihood, continue to fuel the distribution of handouts in Mumbai and much of India, at least in the short run. In that sense, political competition creates a vicious circle for leading candidates. As long as returns from office remain high and politics stays competitive,[53] political aspirants should continue to be able to raise funds to bid for the votes of handout-responsive voters.

These discussions, and the case of Savli, contribute in several important ways to the literature on clientelism, handouts, and vote-buying, in India and beyond. The evidence presented here first suggests that handouts *can* survive in the absence of political machines, and in the presence of tough political competition. This calls for added sophistication in the literature on electoral handouts and clientelism. Contrary to what has sometimes been argued,[54] it

52. As described by Jennifer Bussell in *Clients and Constituents: Political Responsiveness in Patronage Democracies* (unpublished book manuscript).

53. Ibid.

54. Lehoucq; Stokes et al., *Brokers, Voters, and Clientelism.*

can be rational for candidates who cannot monitor voters but who face tough competition to distribute handouts. This also provides micro-level evidence about the various forms that clientelistic strategies might take.[55] In Savli, a number of key transformations—the ever-greater number of candidates and parties, the high degree of anti-incumbency, and growing literacy and independence in the electorate—have led to ever-weaker party organizations and to stiff competition. These conditions have rendered machine-driven clientelism impossible. This does not however imply that they have rendered all strategies associated with clientelism (handouts, for instance) obsolete. To the contrary, rising competition and a progressive loss of control over voters here appear to have rendered handouts more urgent for candidates unsure of how to influence voters.

55. Schaffer, "Why Study Vote Buying?"