

Statement of Research Interests

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My main research interests are in the field of **public economics**. I conduct both empirical and applied theory work in that field, with an emphasis on the **political economy** of government expenditure. More generally, I have an **empirical microeconomics** research agenda covering the applied sub-fields of public economics: education economics, health economics and welfare economics. I also have an interest in labor economics, which is my doctoral minor field.

My current research, conducted as part of my Ph.D. dissertation at the University of Toronto, focuses on the political economy aspects of local public goods provision. I am especially interested in the role of higher tiers of government in the provision of public goods that feature a local dimension. In my **job-market paper**, I assess the extent to which electoral politics distorts the geographic allocation of government spending on transportation infrastructure. The paper exploits the linguistic fragmentation of Canada's province with the largest land mass, Québec, to identify the influence of local partisan loyalty on the provincial government's road spending across electoral districts. Contrary to the predictions of most theoretical models of special-interest politics, I find that spending does not flow disproportionately to swing districts. Instead, I provide robust evidence that districts being loyal to the incumbent party attract a disproportionate share of infrastructure spending. From a theoretical point of view, the analysis is cast in terms of a dynamic distributive politics model in which spending cements long-run relationships between parties and districts, in addition to influencing election results in the short-run. This paper has been presented at national conferences and, recently, at the first world meetings of the Public Choice Society in Amsterdam.

The other two chapters of my **Ph.D. dissertation** explore the provision of local public goods in the context of a hierarchy of governments. In my second thesis chapter, I develop a theoretical model of the accountability consequences of shared expenditure responsibilities in a federation. While shared responsibilities and partial decentralization characterize most constitutions and decentralization reforms, existing theories of fiscal federalism and decentralization typically consider only the extreme cases of complete centralization and complete decentralization. I take up this challenge, highlighting that shared responsibility complicates electoral accountability and induces potentially detrimental vertical interactions among levels of government, while also allowing an economy to reap the benefits of complementarities among levels of government. This paper has been presented last Spring at the annual meetings of the Canadian Economics Association.

In the third chapter of my thesis, I bring these ideas to the data. I exploit rich data on school districts in California to assess the consequences of state and federal involvement in public education on local electoral accountability. Preliminary results show that voters are responsive to differences in dropout rates and pupil-teacher ratios, and that incumbents are less likely to be reelected when a district's degree of school finance centralization is high. These results also suggest that the increased involvement of the federal government through the *No Child Left Behind Act* of 2001 has sharpened local electoral accountability.

My past research includes a series of **published policy papers** on a broad array of issues. I have written on policy issues such as fiscal federalism, public debt reduction, health care funding, education economics, income inequality and regional development policies. This research has been published in policy periodicals such as *Policy Options* and *Choices*, a book chapter, a Finance Canada working paper, and CIRANO *Burgundy Reports* and project reports. I have conducted this research while being employed as a research economist by Canada's federal Department of Finance and CIRANO, a leading Montréal-based interuniversity research center.

My agenda for **future research** includes, in line with the analysis in my job-market paper, both theoretical and empirical research on the role played by local partisan loyalties on the geographic allocation of centrally-provided public goods. On the theoretical front, I intend to endogenize partisan loyalty in a dynamic repeated game of electoral competition. I am also in the process of developing a second empirical application of these ideas, exploiting U.S. data from the Federal Assistance Award Data System (FAADS). In this application, I am especially interested in contrasting the role of partisan loyalty in a strong party system such as Canada's with a party system in which individual legislators benefit from more discretion in their voting behaviour.

My agenda for future research also includes extending my current work on local electoral accountability. While local elections data are advantageous in many respects, starting with the large variation provided by the numerous local elections held each year, their use is severely limited by the lack of comprehensive data. In parallel to my current work with Californian data, I intend to set up a data collection initiative on local governments in Canada to overcome this limitation. The resulting comprehensive data set on election results, public finance and performance measures would provide a unique laboratory for the study of local electoral accountability.

Building on my existing research program in public finance, my future research agenda also includes studying the accumulation of public debt and assets by sub-national jurisdictions in OECD countries. The aim of this project is to move away from the usual focus on national debt, and to study the causes and consequences of public indebtedness at the state/provincial and local levels. Of special interest are vertical interactions in the use of debt instruments, especially in federal and quasi-federal countries.

For more information on my research, including links to most of the above-mentioned papers, please visit my website at <http://individual.utoronto.ca/joanis>.