Roland Hodler is Professor of Economics at the University of St.Gallen and Research Fellow at CEPR, CESifo and OxCarre. His research covers topics in development and political economics. His interests include how ethnic diversity, natural resources and foreign aid influence economic and human development as well as conflict, corruption and favoritism. His research has been published in the Quarterly Journal of Economics, the American Economic Journal: Economic Policy, the Journal of Development Economics, the Journal of Public Economics, and the Proceedings of the National Academy of Sciences; and covered by the BBC, the Economist, the Guardian, Le Monde, NZZ, and the Washington Post.

**Ethnofederalism and ethnic voting: Evidence from Kenya**

Whether an appropriate administrative-territorial structure can reduce the ethnicization of national politics is still a matter of debate. Some scholars propose ethnofederal structures characterized by administrative boundaries that follow ethnic boundaries, while others argue in favor of administrative boundaries that cut across ethnic homelands. In this paper, we provide causal evidence on how ethnic voting reacts to changes in the territorial design. We exploit the territorial decentralization and administrative devolution resulting from the 2010 constitutional reform in Kenya. Using microdata from Afrobarometer surveys and an event study design, we measure ethnic voting by the extent to which pairs of co-ethnic respondents would be more likely to vote for the same party than non-co-ethnics before and after the reform. We rely on two different types of indices that we show to be inherently related to ethnofederalism and “crosscuttingness”: regional fractionalization and ethnic fragmentation.

We find that ethnic voting increases among co-ethnic pairs for which the reform increased average regional fractionalization. We find no evidence suggesting that ethnic voting reacts to changes in ethnic fragmentation. Two policy implications are that ethnofederal structures can reduce the ethnicization of politics at the center and that creating ethnically homogenous administrative regions is more important than keeping ethnic kin together in the same region.

**Research Seminar: Econ Brown Bag**

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