

POLITICAL CYCLES, POLITICAL INSTITUTIONS,  
AND PUBLIC SERVICE EXPENDITURE IN INDIA  
(POLEX-INDIA)

1980-2000

DATA CODEBOOK

Compiled by

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# Political cycles, political institutions, and public service expenditure in India (POLEX-INDIA)

## Codebook

Version 2008.1

Data host: Lawrence Saez (SOAS)

The political cycles, political institutions, and public service expenditure in India (POLEX-INDIA) data set captures political and fiscal data for 16 major states in India from 1980-2000. The data set has been developed to supplement the empirical findings in Lawrence Saez and Aseema Sinha, 'Political cycles, political institutions, and public service expenditure in India, 1980-2000', to be published in the *British Journal of Political Science* (2008). The authors thank Alexandra Tudoroiu for invaluable research assistance.

**Abstract.** What affects rulers and politician's choices about public expenditure and public investment? The current finding for western democracies has confirmed the role of partisan—or ideological—findings; parties and their positions matter. This project re-evaluates public policy choices of politicians in India, a large and established democracy with remarkable subnational variation. We also analyze a range of public expenditures ranging from education, and health to infrastructure like agriculture and irrigation investment. We find that election timing and political factors play a much stronger role across subnational states in India. Party competition for example, increases investment in education. These counterintuitive findings, can be explained we argue, by highlighting the role of economic and political uncertainty on politician's choices. Building a Polanyi type argument and enhancing it with a supply side mechanism, we highlight the importance of compensation and insurance as well as imperatives of political stability for subnational rulers, who attempt to maximize their re-election chances in an uncertain political and fiscal environment.

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The dataset is assembled in SPSS format, 15.0 version. The SPSS dataset is divided into two separate SPSS files: 'POLEX-India, version 2008.1 (dependent variables)', and 'POLEX-India, version 2008.1 (independent variables)'.

### List of variables

#### 1. Dependent variables

*Education*

*Health*

*Water supply and sanitation*

*Housing*

*Urban development*

*Welfare for scheduled castes and tribes*

*Labour-related welfare*

*Social security*

- Nutrition*
- 1.10 Natural disaster relief*
- 1.11 Agriculture*
- 1.12 Rural development*
- 1.13 Special areas programmes*
- 1.14 Irrigation and flood control*
- 1.15 Electrical energy*
- 1.16 Industry and minerals*
- 1.17 Transport and communications*
- 1.18 Science and technology*
- 1.19 General economic services*

## 2. Independent variables

- 2.1 Election*
- 2.2 Left*
- 2.3 BJP*
- 2.4 Congress*
- 2.5 Regional*
- 2.6 Coalition*
- 2.7 Effective number of parties (votes)*
- 2.8 Effective number of parties (seats)*
- 2.9 Margin victory*
- 2.10 Alteration*

## **Description of variables**

### *1.1 Education*

Consists of state government expenditure on education as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.2 Health*

Consists of state government expenditure on health as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.3 Water supply and sanitation*

Consists of state government expenditure on water supply and sanitation as a proportion of total government expenditure.

99 = no available data /missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.4 Housing*

Consists of state government expenditure on housing as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.5 Urban development*

Consists of state government expenditure on urban development as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.6 Welfare for scheduled castes and tribes*

Consists of state government expenditure on welfare for scheduled castes and tribes as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.7 Labour-related welfare*

Consists of state government expenditure on labour-related welfare as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.8 Social security*

Consists of state government expenditure on social security as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.9 Nutrition*

Consists of state government expenditure on nutrition as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.10 Natural disaster relief*

Consists of state government expenditure on natural disaster relief as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.11 Agriculture*

Consists of state government expenditure on agriculture as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.12 Rural development*

Consists of state government expenditure on rural development as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.13 Special areas programmes*

Consists of state government expenditure on special areas programmes as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.14 Irrigation and flood control*

Consists of state government expenditure on irrigation and urban control as a proportion of total government expenditure.

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.15 Electrical energy*

Consists of state government expenditure on electrical energy as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.16 Industry and minerals*

Consists of state government expenditure on industry and minerals as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.17 Transport and communications*

Consists of state government expenditure on transport and communications as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.18 Science and technology*

Consists of state government expenditure on science and technology as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

### *1.19 General economic services*

Consists of state government expenditure on general economic services as a proportion of total government expenditure.

99 = no available data / missing values

Source: Reserve Bank Bulletin. Calculations by the authors.

## *2.1 Election*

An election was held in a given state assembly in India.

0 = no election was held

1 = election was held

Source: Election Commission of India. Calculations by the authors.

## *2.2 Left*

A leftist party (Communist Party of India (Marxist) controls the state assembly.

0 = CPI/CPI-M does not control the state assembly

1 = CPI/CPI-M controls the state assembly

Source: Election Commission of India. Calculations by the authors.

## *2.3 BJP*

The Bharatiya Janata Party (BJP) controls the state assembly.

0 = The BJP does not control the state assembly

1 = The BJP controls the state assembly

Source: Election Commission of India. Calculations by the authors.

## *2.4 Congress*

The Congress Party of India controls the state assembly.

0 = The Congress Party of India does not control the state assembly  
1 = The Congress Party of India controls the state assembly

Source: Election Commission of India. Calculations by the authors.

### *2.5 Regional*

A regionalist party controls the state assembly.

0 = A regionalist party does not control the state assembly  
1 = A regionalist party controls the state assembly

Source: Election Commission of India. Calculations by the authors.

### *2.6 Coalition*

The state assembly is controlled by a coalition government.

0 = The Congress Party of India does not control the state assembly  
1 = The Congress Party of India controls the state assembly

Source: Election Commission of India. Calculations by the authors.

### *2.7 Effective number of parties (votes)*

The effective number of parties in a state assembly in India, using votes ( $n_{\text{VOTES}}$ ), was calculated employing the widely used Laakso and Taagepera's Index (N). We have double-checked and updated data available in the Statistical Supplement to the special issue on political parties and elections in Indian studies.

Source: Laakso and Taagepera(1979). Calculations by the authors.  
Journal of Indian School of Political Economy.

### *2.8 Effective number of parties (seats)*

The effective number of parties in a state assembly in India, using seats ( $n_{\text{SEATS}}$ ), was calculated employing the widely used Laakso and Taagepera's Index (N). See previous section.

Source: Laakso and Taagepera(1979). Calculations by the authors.  
Journal of Indian School of Political Economy.

### *2.9 Margin of victory*

Percentage difference between the largest recipient of votes and the second largest recipient of votes in all state assembly elections in India, 1980-2000.

Source: Election Commission of India. Calculations by the authors.

### *2.10 Alternation*

A state assembly is ruled by a political party different from the political party that ruled the state prior to the last state assembly election in the state.

0 = A state assembly is ruled by the same political party that ruled in that state prior to the election  
1 = A state assembly is ruled by a political party that is different from the political party that ruled in that state prior to the election

Source: Election Commission of India. Calculations by the authors.

### **Citation and contact information:**

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Version 2008.1 of the POLEX-INDIA is hosted by Lawrence Saez.

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### **Sources:**

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Markku Laakso and Rein Taagepera, 'Effective Number of Parties: A Measure with Application to West Europe', *Comparative Political Studies*, 12(1979), 3-27

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