

TAXATION TOWARD REPRESENTATION: Public Goods, Tax Collection, Social Norms, & Democratic Accountability

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Abstract

While there has been much theoretical and historical work on the relationship between public goods provision, taxation, social norms, and the formation of democratic institutions, there is still a considerable gap in the empirical literature. In this paper, I present the results of a randomized controlled trial at-scale and over two fiscal years across one of the largest cities in Haiti – a weak-state with near-zero tax compliance. In partnership with the Mayor’s office and the national tax authority, I cross-randomize the provision of public goods (trash collection), tax collection effort (property tax invoice delivery), and public exposure of tax compliance (exterior signs posted on complying buildings) over 50,000 properties, and I follow responses in the government’s administrative data. To further identify mechanisms, I collect a panel of survey data from more than 1,000 representative households, and within the 15,000 households assigned to receive tax invoices, I further randomize framing with different “nudges”.

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