5.Determinants of Political Dynasties

The first contribution of this paper is to describe the municipalities with dynastic candidates running for mayor positions, since this is a novel data base. This is important not only to understand the determinants of dynasties in Brazilian local politics, but also to comprehend the selection of our sample.

We begin this description by presenting the geographical distribution of the dynastic candidates among the Brazilian regions in Table 1 . The lowest proportion of municipalities with dynastic candidates is in the Southern region of Brazil (14%). This region presents the best socioeconomic indicators in the country. Among its 1189 municipalities, there are 172 with at least one candidate that shares a common family name with a previous mayor. The proportion in the Center-West, North and Southeast regions are very similar to the national average (30%). In the poorest region of the country (Northeast), there is a dynastic candidate in the 2004 elections in almost half of the municipalities.

We also present the municipal characteristics correlated with the presence of dynastic candidates. For this purpose, Table 2 presents t-tests on the difference in twelve characteristics between the municipalities with and without candidates with relatives in previous offices. In the first column the average among 5562 Brazilian municipalities is displayed for each characteristic. The second and third columns show the average among the municipalities with at least one dynastic candidate in the 2004 elections and among those without any respectively. The last column presents the difference between the last two averages. The municipalities with dynastic candidates are less educated, more unequal, further from the states' capitals, poorer, exhibit a lower probability of having an AM radio station, are less urbanized and present a larger number of candidates running for mayor office. These differences mean that the effects documented in Section 7 cannot be immediately extended to all Brazilian municipalities. It is possible, for instance, that among richer and better educated

municipalities the dynasties are less harmful to the population, since the inhabitants are more apt to supervise the mayor's behavior.

Additionally, we estimate a Linear Probability Model that predicts the probability of the presence of a dynastic candidate in the 2004 Municipal Election based on this municipality's characteristics. For this, an OLS regression is estimated based on the following equation:

$$Dinastic\ Candidate_i = \beta_1 Municipality's\ Characteristc_i + \mathcal{E}_i \quad (1)$$

Where $Dynastic\ Candidate_i$ is an indicator variable equal to one if there was at least one dynastic candidate in municipality i in the 2004 Elections, and $Municipality's\ Characteristics$ includes the presence of local media, some socioeconomic indicators and a measure of the political concentration. Although these results may not be interpreted as a causal relation, they help us characterize the sample.

Consistent with Table 2's results, Table 3 indicates that the absence of media (column 1), lower income per capita (column 2) and education (column 3) are associated with a higher probability of having a dynastic candidate. Moreover, it presents evidence that municipalities with dynastic candidates have more competitive electoral races (column 4)[9], and are slightly more populated and closer to state capitals. The correlations with the presence of radio stations and with years of schooling are particularly important due to their high economic significance. The presence of AM radio station is associated with a probability of a dynastic candidate's presence 5.4 percentage points lower (18% of the average of this probability). On the other hand, an increase of one year on the average years of schooling of a municipality is associated with a 6.8 percentage points decrease on the probability of having a dynastic candidate (22% of the same average).

In the last column, all the characteristics are included. Only the association with income per capita, electoral concentration, population and distance to state capital remains significant. The association with urbanization turns positive, and the statistically significant correlations with presence of radio station and years of schooling disappear.

[9] We measure the electoral concentration with the Herfindahl Index for the votes received by different candidates for mayor office.