Guido Tabellini on Cultural Polarization & Identity

Francesco Trebbi

UC Berkeley, NBER, CEPR

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From Political Institutions to Cultural Economics

- **Impossible job to give justice to Guido's work**
- Opened two new literatures in Economics
  1. **Modern Political Economy** (w/ A. Alesina, T. Persson, T. Besley, G. Roland): foundational work on the analysis of the fiscal policy consequences of political institutions; electoral rules (accountability v. representation); separation of powers, etc. Persson & Tabellini (2000, MIT Press) has been *the canon* for decades
  2. **Cultural Economics** (w/ A. Alesina): path-breaking work on morality, norms, emotions, values, & cultural identity (Tabellini, QJE 2008; Tabellini, JEEA 2008), legitimizing a research area at the fringe of "*standard*" Economics

     – This latter front is proving central in understanding the evolution of the West since the financial crisis of 2008-09 & increasingly so

From Political Institutions to Cultural Economics

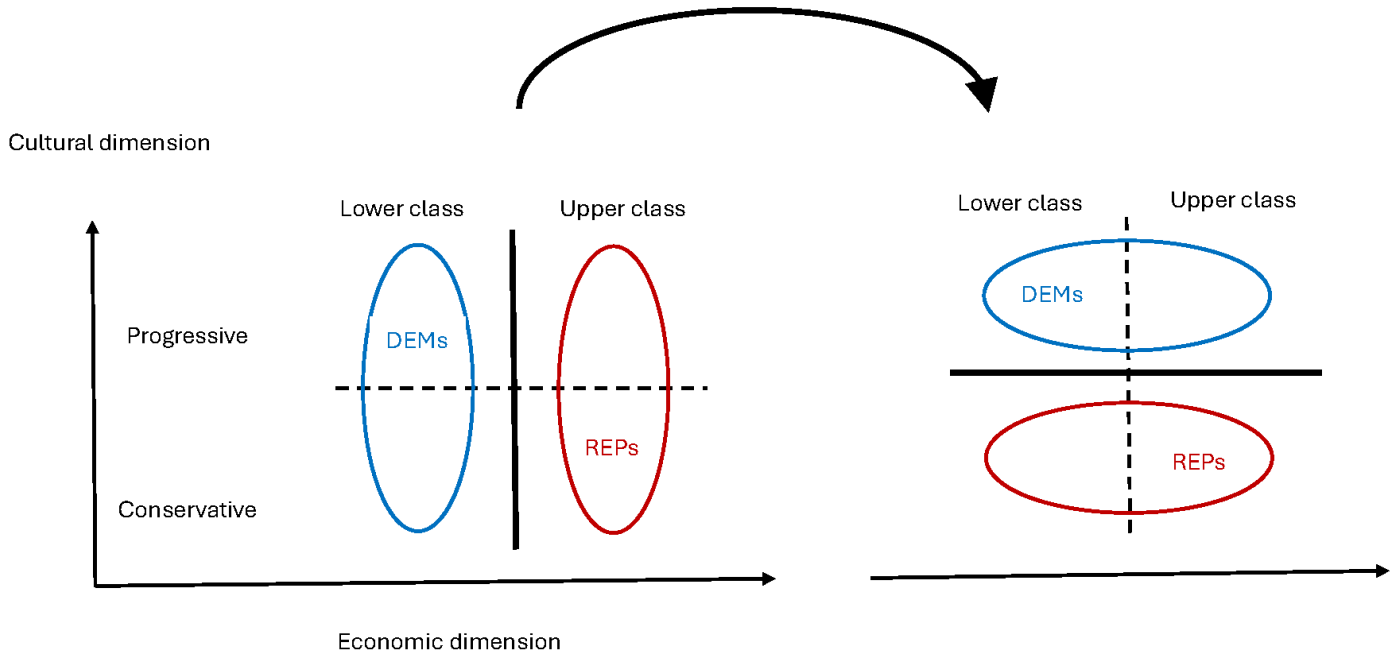
- It has been the privilege of my career to be able to follow closely his intellectual advancements – first as student, then as coauthor & colleague
- **Echo of Guido's work is constant at NBER Political Economy** meetings (or at the IOG meetings)

- Today's talk:
  1. I will focus on one of the most recent advancements (**Gennaioli & Tabellini, ECMA 2025; Bonomi, Gennaioli & Tabellini, QJE 2021**) on **cultural identity**, one of the main dimensions of political polarization (Norris & Inglehart, 2019 Cambridge)
  2. I will try to **offer my perspective on issues of identity** in voting. A simple operational framework for empirical analysis

Identity Shifts

- Motivating question: **How can an economic shock producing higher inequality induce a shift towards more culturally conservative positions?**
  1. Inequality rising, Redistributive conflict falling, Cultural conflict rising.
  2. Counterintuitive Low income/low education voters moving Right everywhere
  3. ANES survey data shows that after 2008 disagreement over cultural policies (abortion, race, gender issues) increased, disagreement over redistribution decreased

The Great Rotation: GOP from *party of the rich* to *party of the culturally conservative*



The Great Rotation

Identity Shifts

- **Bonomi, Gennaioli & Tabellini, QJE 2021**: Theory of endogenously shifting political identities.

- Main ingredients:
  1. Economic + Cultural dimension (two-dimensional preference model à la DW-Nominate; four types of voter groups)
  2. Voters choose to identify along economic (rich/poor) or cultural (conservative/progressive).
     - Identity choice maximizes (i) similarity w/ ingroup & (ii) dissimilarity w/ outgroup (metacontrast – think of k-means clustering)
     - Behavioral mechanism: Chosen cleavage further amplifies voter beliefs along that dimension (stereotyping). Important for political eq.m

Identity Shifts

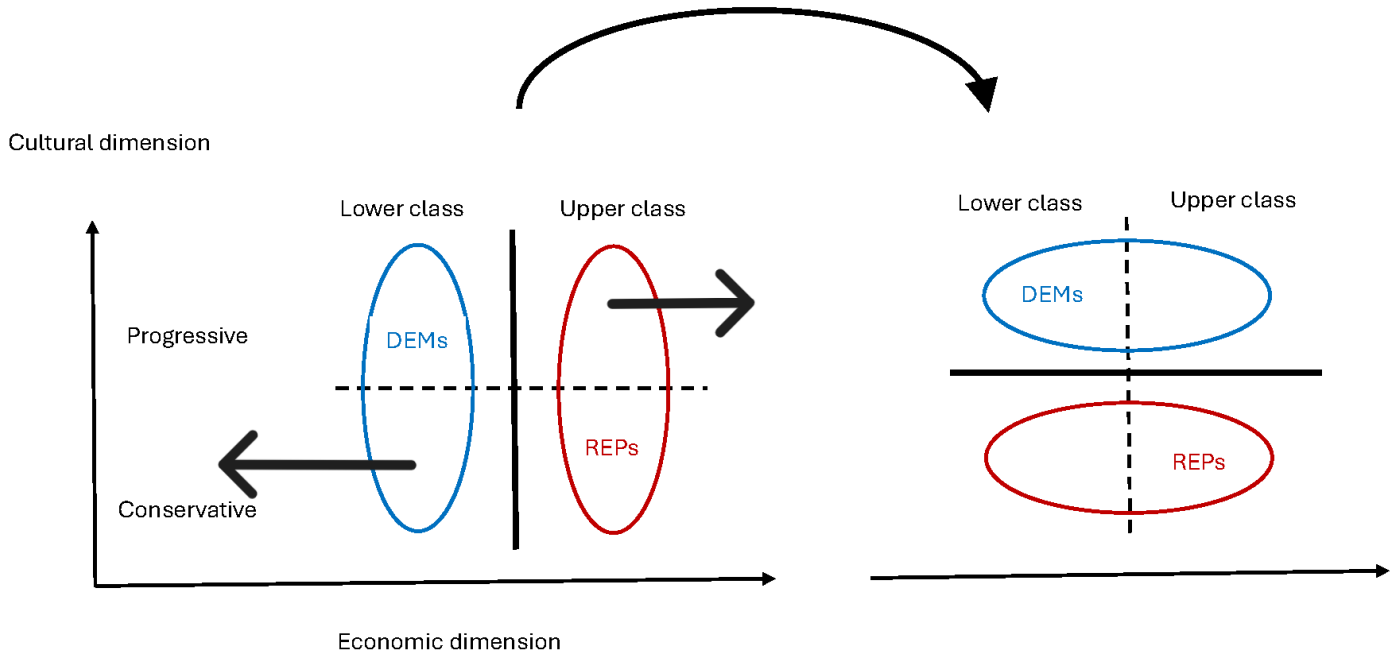
- Results:
  1. If cultural conflict is more salient than class conflict, identity is cultural, & vice versa. Exogenous cultural shocks (e.g. an immigration wave): If cultural conflict becomes more salient, voters switch from economic class to cultural identity
  2. Economic shocks that are *asymmetric* can also induce a shift of cleavage from economic to cultural identity: poor conservatives are damaged & rich progressive gain (e.g. China Shock or skill-biased technical change)
     - Empirical evidence: Poor social conservatives do not ask for more redistribution, rather social status & cultural recognition

Identity Shifts

Intuition:

- Asymmetric economic shocks increase within-ingroup heterogeneity
  - certain socially conservative poor become much poorer, so the "poor" are less internally similar
  - certain progressive rich become much richer, so "rich" are less internally similar
- Even if nothing changes wrt cultural heterogeneity, if within-group inequality increases, social identity may become the relevant separating cleavage

The Great Rotation: Heuristic Representation of Asymmetric Econ Shock



The Great Rotation

Role of Parties in Identity Shifts

- **Gennaioli & Tabellini (ECMA 2025)**: Guido's *Econometric Society* Presidential address
- Adds party competition to Bonomi et al.
- **Results are amplified by presence of Political Parties that incorporate this voter behavior**
- Parties spread stereotypes & contribute to identity-based polarization polarization
- Party platforms sharply move from the economic cleavage to the cultural cleavage
- Parties bear a responsibility in the increase in polarization (Canen et al., 2021)

Other Interesting Results

- Why not four parties focused on narrow social identities (Socially Conservative & Poor on their own; Socially Conservative & Rich on their own, etc.)?
  - Intuition: Group size correlates with group salience & salience is important for voter sorting into groups. Too narrow a group means not enough salience (less psychologically meaningful)
- A specific empirical analysis of the China Shock in the US
  - DiD evidence based on exposure to trade
- Certainly looking forward to seeing more work

A Different Take on Identity

- "Decoupling Taste-Based versus Statistical Discrimination in Elections" (de Albuquerque, Finan, Jha, Karpuska & Trebbi, 2025)
- Notwithstanding the title, it's really work about voter identity
- Uses many of the same tools:
  1. Multidimensional
  2. Endogenous Identity
  3. Salience Effects
- But w/ some key differences:
  1. Framework designed for structural estimation
  2. Does not require behavioral assumptions
  3. Focus is on gender identity. Clarifies link between issues of identity politics & discrimination

Institutional Context for Empirical Analysis: Brazilian Municipal Elections

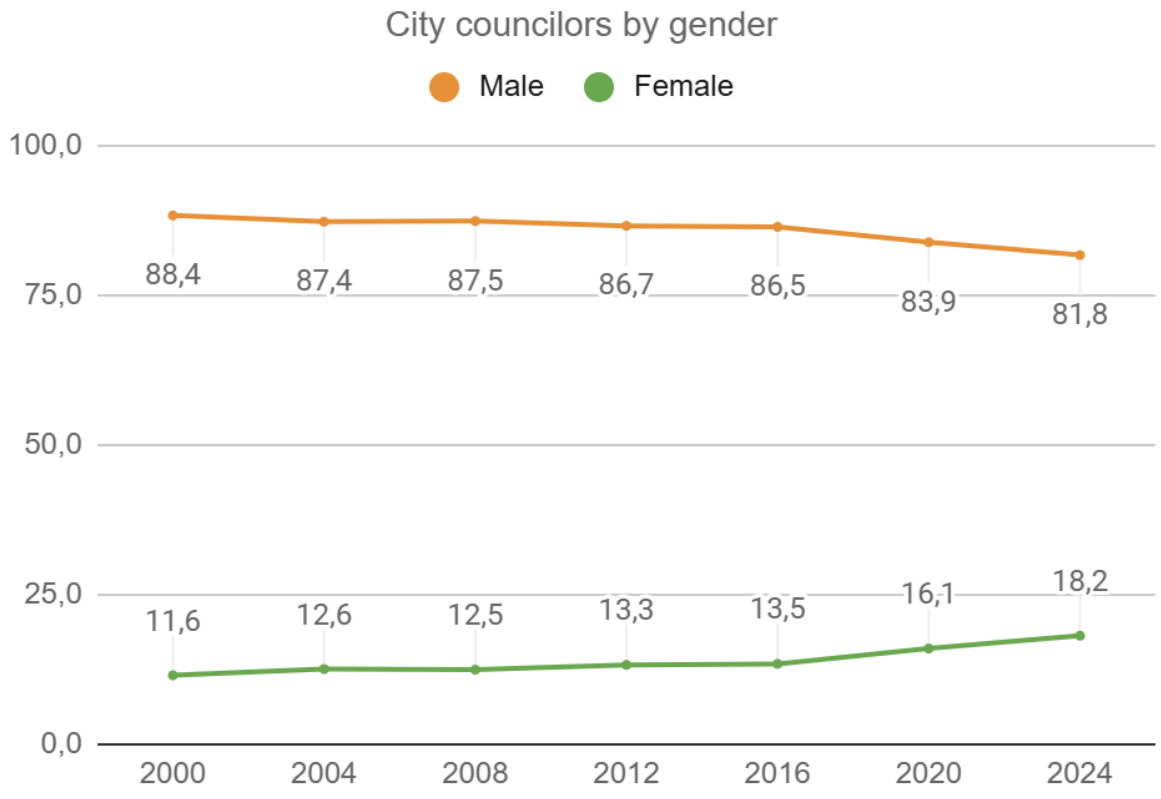


Figure: Share of Female Councilors Over Time

Setup

- Voter i characterized by gender $G_i \in \{0, 1\}$ and by policy position P_i on a uni-dimensional progressive-conservative scale
- The voter chooses among a set of political candidates $j = 1, \ldots, J$ who are elected to a municipal legislature by open-list PR.
- Each candidate j is represented by three features:
  1. G_j - gender of the candidate
  2. A_j - ability in performing administrative tasks
  3. P_j - policy position on a uni-dimensional progressive-conservative scale

Modeling Voters

- Voters enjoy utility for supporting candidates w/ certain features (e.g. candidates who share their same identity or policy views)
- Voters may not know such features w/ certainty, or at least not for all candidates
- Voter i have subjective & heterogeneous beliefs over a candidate's features:
  1. $E_i[A_j] = A_{ij}$ - voter i's expectation about candidate j's ability
  2. $E_i[P_j] = P_{ij}$ - voter i's expectation about candidate j's policy position
  3. We assume that voters know the politician's gender identity w/ certainty

Modeling Voters

- Voters' utility is additively separable across the three features:

$$u_{ij} = -w_i^G \times |G_j - G_i| + w_i^A \times A_{ij} - w_i^P \times |P_{ij} - P_i| + \varepsilon_{ij}$$

- $w_i^k \geq 0$ - preference weights of gender identity, ability, & policy
- ε_{ij} - idiosyncratic preference shock, realized when the voter casts their ballot

1. Preferences are spatial in gender identity & policy; voters prefer candidates closer to their own position
2. Preferences are vertical along the ability dimensions; everyone likes higher ability in their elected officials
3. These preferences combine both private value (gender, policy) horizontal dimensions & common value (ability) vertical dimensions

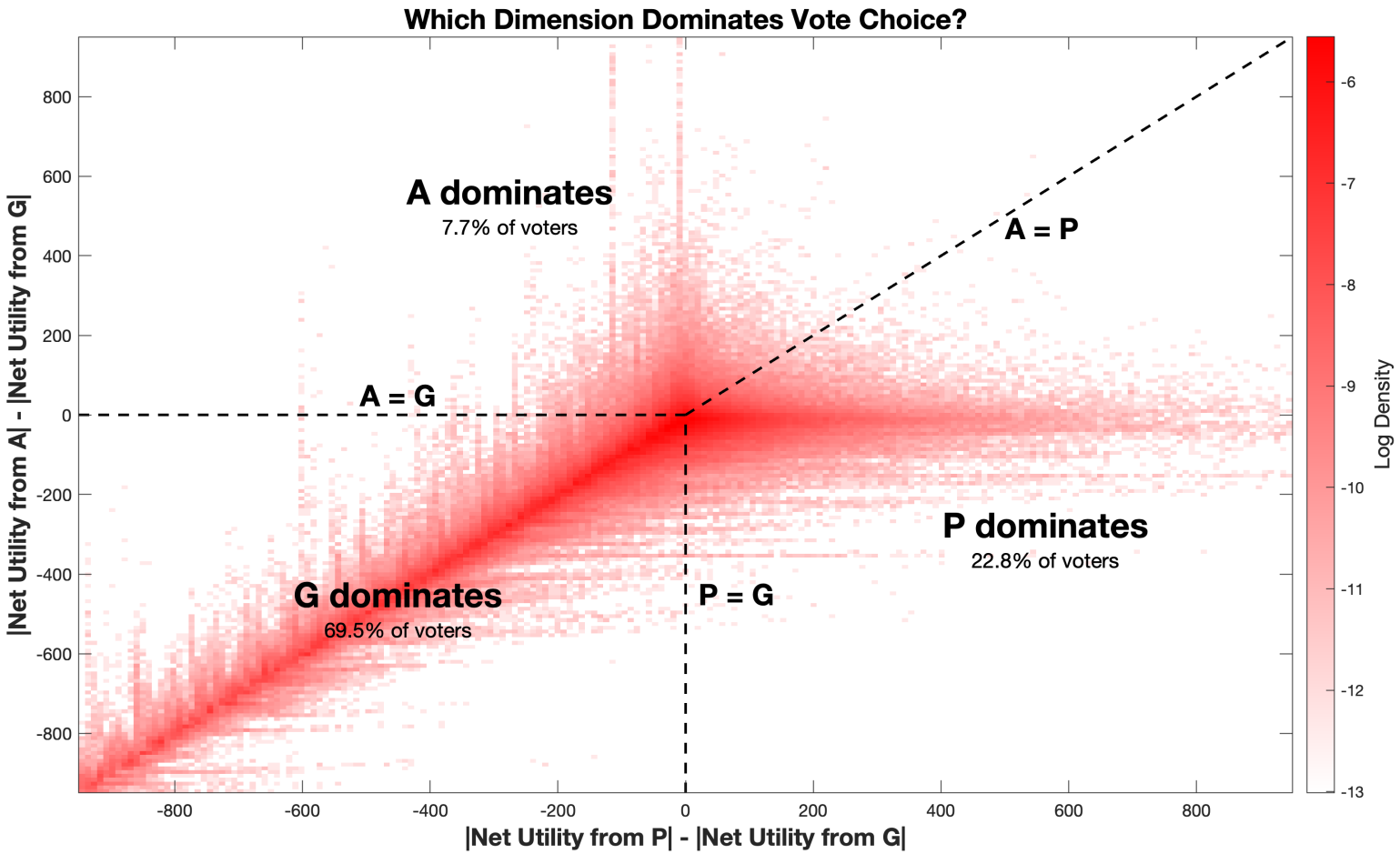
Modeling Voters

- Utility function combines:

$$u_{ij} = -w_i^G \times |G_j - G_i| + w_i^A \times A_{ij} - w_i^P \times |P_{ij} - P_i| + \varepsilon_{ij}$$

- Pure taste parameters (salience weights) w_i^k
  - This allows us to incorporate taste-based discrimination
  - Weight on identity is not constant
- Candidate features over which rational learning may occur P_{ij} & A_{ij} (i's expectations depend on beliefs)
  - This allows us to incorporate statistical discrimination (Arrow 1973; Phelps 1972)

What determines vote choice?



RCT

- The voter choice model is estimated structurally in conjunction w/ an RCT that provides identification
- We conduct an RCT, in partnership w/ a Brazilian nonpartisan NGO, micro-targeting voters via **Instagram** one week before Brazil's 2024 municipal elections.
- 1,000 municipalities. RCT is designed to identify statistical & taste-based discrimination within our framework.
- Voters randomly exposed to either informative or uninformative messages about female candidates.
  1. *Informative* messages provide hard information about female candidates' attributes, affecting both voter beliefs & the salience of these attributes in utility function
  2. *Uninformative* messages solely affect the salience of attributes without changing beliefs.

Traditional Reduced Form Estimation

- Regression

$$\begin{aligned} v_m &= \beta_0 + \beta_1 V_m^{G,1} + \beta_2 V_m^{G,0} + \beta_3 V_m^A + \beta_4 T_m^A \\ &\quad + \beta_5 V_m^P + \beta_6 T_m^P + X_m^{'}\gamma + \delta_{s(m)} + \epsilon_m \end{aligned}$$

$V_m^{G,1} = 1$ - females in the municipality received the gender message
$V_m^{G,0} = 1$ - males in the municipality received the gender message
$V_m^A = 1$ - municipality received the uninformative ability message
$T_m^A = 1$ - municipality received the informative ability message
$V_m^P = 1$ - municipality received the uninformative policy message
$T_m^P = 1$ - municipality received the informative policy message
δ_s - strata fixed effects
X_m - vector municipal controls
ϵ_m error term, robust to heteroskedasticity

Reduced Form Estimates - Issues

- The effects of the messages can be difficult to interpret in the reduced-form:
- Consider ability: voting depends on individuals' subjective prior beliefs about female candidates' abilities relative to male candidates
  - Depending on voters' priors, we can have opposite effects that wash out in aggregate
- Unobserved heterogeneity in the salience weights
  - If voters assign greater weight to gender than to ability, then even if our informative treatment alters beliefs about female candidates' ability, this may not manifest in vote choices

Reduced Form Estimates

	Vote Share for Female Candidates			
	(1)	(2)	(3)	(4)
Gender - Female	1.141	0.940	0.948	1.008
	(0.918)	(0.915)	(0.917)	(0.908)
Gender - Male	1.790*	1.879**	1.806*	1.800*
	(0.933)	(0.922)	(0.924)	(0.928)
Ability Uninformative	1.085	1.045	1.031	1.100
	(0.924)	(0.915)	(0.915)	(0.916)
Ability Informative	0.284	0.280	0.285	0.354
	(0.923)	(0.908)	(0.912)	(0.919)
Policy Uninformative	-0.298	-0.218	-0.216	-0.267
	(0.961)	(0.967)	(0.966)	(0.970)
Policy Informative	1.432	1.394	1.385	1.419
	(0.959)	(0.946)	(0.948)	(0.946)
DV Control Mean	22.97	22.97	22.97	22.97
R^2	0.03	0.05	0.05	0.06
Number of Obs.	1000	1000	1000	1000
Strata FE	Y	Y	Y	Y
Lagged DV	N	Y	Y	Y
Controls	N	N	Y	Y
Region FE	N	N	N	Y

Structural Model - Preference Parameters on Gender

- Identity matters: All voters exhibit gender discrimination
- Women exhibit less taste-based discrimination (4.1) compared to men (6.2)
- Setting $\omega_{GM} = 0$ would increase female vote share by 7.98 p.p.
- Setting $\omega_{GF} = 0$ would decrease female vote share by 19.5 p.p.

		Models				
Parameter	Description	(1)	(2)	(3)	(4)	(5)
ω_{GF}	Baseline weight G (F)	4.088***	3.878***	4.847***	6.772***	1498.302***
		(0.010)	(0.031)	(0.015)	(0.382)	(8.599)
ω_{GM}	Baseline weight G (M)	6.233***	7.049***	6.613***	13.404***	931.560***
		(0.012)	(0.028)	(0.023)	(0.663)	(0.000)
λ_{GF}	Effect of G message (F)	-0.018	-0.000	-0.003	0.068	48.147***
		(0.034)	(0.032)	(0.009)	(0.189)	(1.351)
λ_{GM}	Effect of G message (M)	-0.533***	-1.528***	-0.859***	-1.552***	-931.456***
		(0.015)	(0.018)	(0.014)	(0.361)	(0.000)
ω_{A0}	Baseline weight Ability	2.150***	1.995***	1.705***	0.312***	0.861***
		(0.519)	(0.412)	(0.593)	(0.036)	(0.003)
λ_{A}	Effect of unifo ability message	-0.162***	-0.168***	0.121***	-0.331***	-0.458***
		(0.022)	(0.026)	(0.012)	(0.078)	(0.002)
ω_{P0}	Baseline weight Policy	1.343**	-0.077	1.008*	0.663***	0.526***
		(0.564)	(0.600)	(0.598)	(0.028)	(0.001)
λ_{P}	Effect of uninfo policy message	0.083***	0.089***	0.064***	0.095***	0.036***
		(0.012)	(0.015)	(0.013)	(0.015)	(0.002)
ξ_{A}	Baseline net ability (F vs M)	0.120**	0.206**	-3.050*	-16.142***	-397.479***
		(0.059)	(0.096)	(1.847)	(2.231)	(2.558)
ρ_{A}	Effect of ability info	-0.092	-0.052	0.324	-1.562	-46.227***
		(0.064)	(0.185)	(0.218)	(2.354)	(1.530)
ξ_{P}	Baseline net policy (F vs M)	2.157***	-3.078***	4.084***	-3.855***	22.653***
		(0.624)	(0.857)	(1.212)	(0.235)	(0.071)
ρ_{P}	Effect of policy info	-0.192***	0.311***	-0.380***	0.470***	-0.953***
		(0.067)	(0.092)	(0.128)	(0.089)	(0.056)
μ	Relative policy (F voters)	-3.193***	8.216***	-2.886***	4.471***	-23.343***
		(0.876)	(2.952)	(0.905)	(0.245)	(0.121)
Region Fixed Effect		✓	-	✓	✓	✓
Candidate controls		✓	✓	✓	✓	✓
Municipio Characteristics		✓	✓	-	✓	✓
Salience-Weight functional Form		Exponential	Exponential	Exponential	Quadratic	Absolute
N	Number of Observations	1000	1000	1000	1000	1000
Obj Fun	Objective Function Value (MSE)	0.004	0.0041	0.0042	0.004	0.004

Structural Model - Treatment Parameters on Gender

- The treatment reduced male voters' distaste for voting against their gender
- This lead to an increase in female vote share of 0.36 p.p. or about 1.5% relative to the mean female vote share. 1.5% is exactly the reduced-form (they should match on G)
- No effect on female voters

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Structural Model - Policy Parameters

- Setting $\omega_P = 0$, increase vote shares substantially by 13.7 p.p.
- Significant mismatch between female voters' policy preferences (μ) and beliefs about female candidates' policy positions (ξ_P)
  - Female candidates are perceived as more conservative than female voters themselves
- Setting $\xi_P = 0$ increase female candidates' vote shares by 20.13 p.p.

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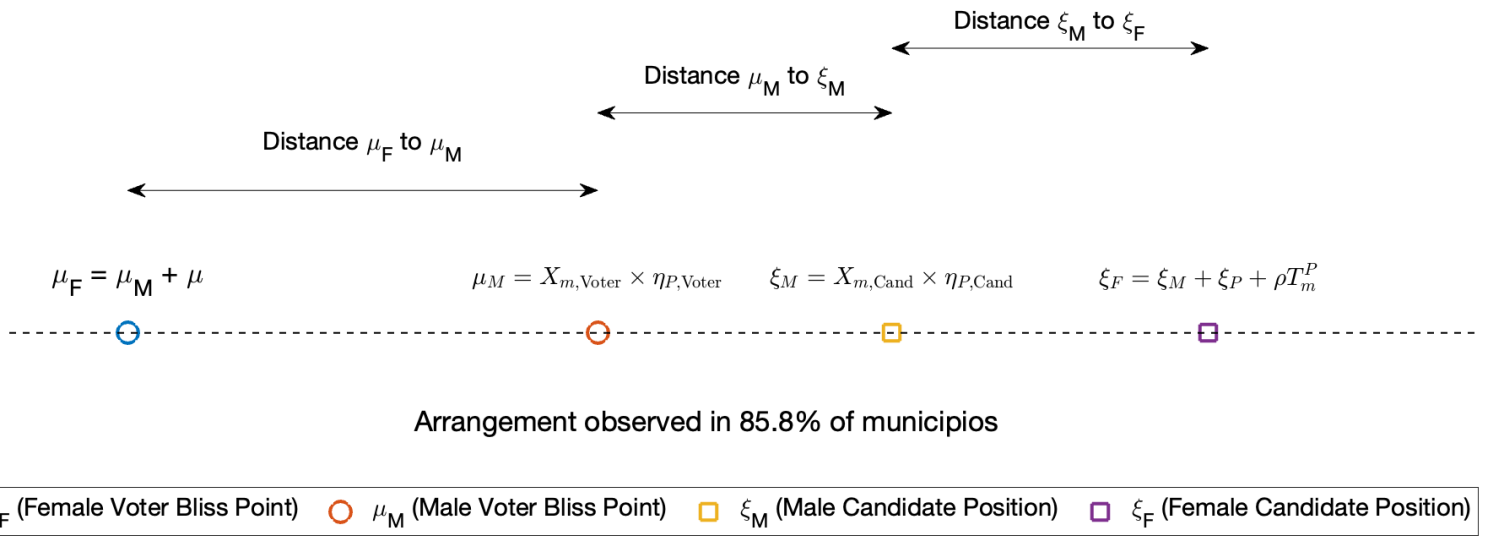
Voter Bliss Points - Case 1



Structural Model - Policy Treatment Parameters

- Uninformative policy message increased the salience of policy dimension
- But how this translates into votes depends on relative positions
- Informative policy message reduced the perceived distance between female voters' bliss points and female candidates' positions, increasing female vote shares by 0.54 p.p.

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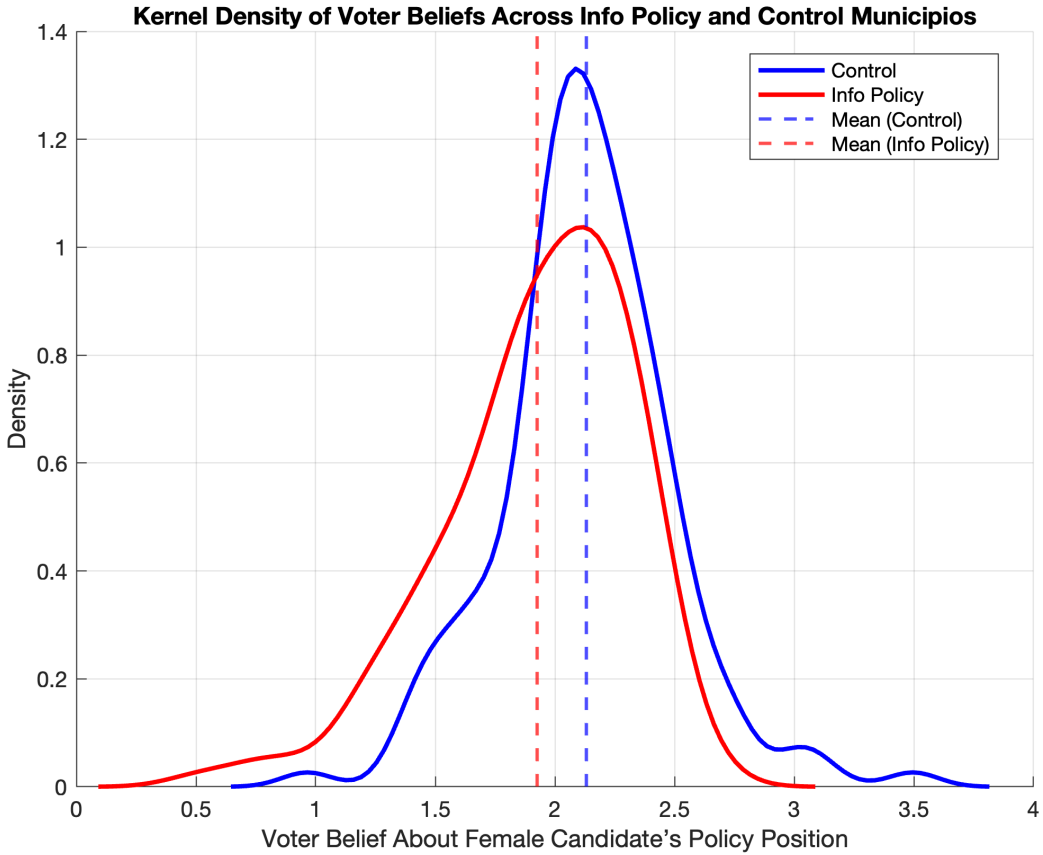
ξ_P	Baseline net policy (F vs M)	2.157***	-3.078***	4.084***	-3.855***	22.653***
		(0.624)	(0.857)	(1.212)	(0.235)	(0.071)
ρ_P	Effect of policy info	-0.192***	0.311***	-0.380***	0.470***	-0.953***
		(0.067)	(0.092)	(0.128)	(0.089)	(0.056)
μ	Relative policy (F voters)	-3.193***	8.216***	-2.886***	4.471***	-23.343***
		(0.876)	(2.952)	(0.905)	(0.245)	(0.121)
Region Fixed Effect		✓	-	✓	✓	✓
Candidate controls		✓	✓	✓	✓	✓
Municipio Characteristics		✓	✓	-	✓	✓
Salience-Weight functional Form		Exponential	Exponential	Exponential	Quadratic	Absolute
N	Number of Observations	1000	1000	1000	1000	1000
Obj Fun	Objective Function Value (MSE)	0.004	0.0041	0.0042	0.004	0.004

Structural Model - Policy Treatment Parameters



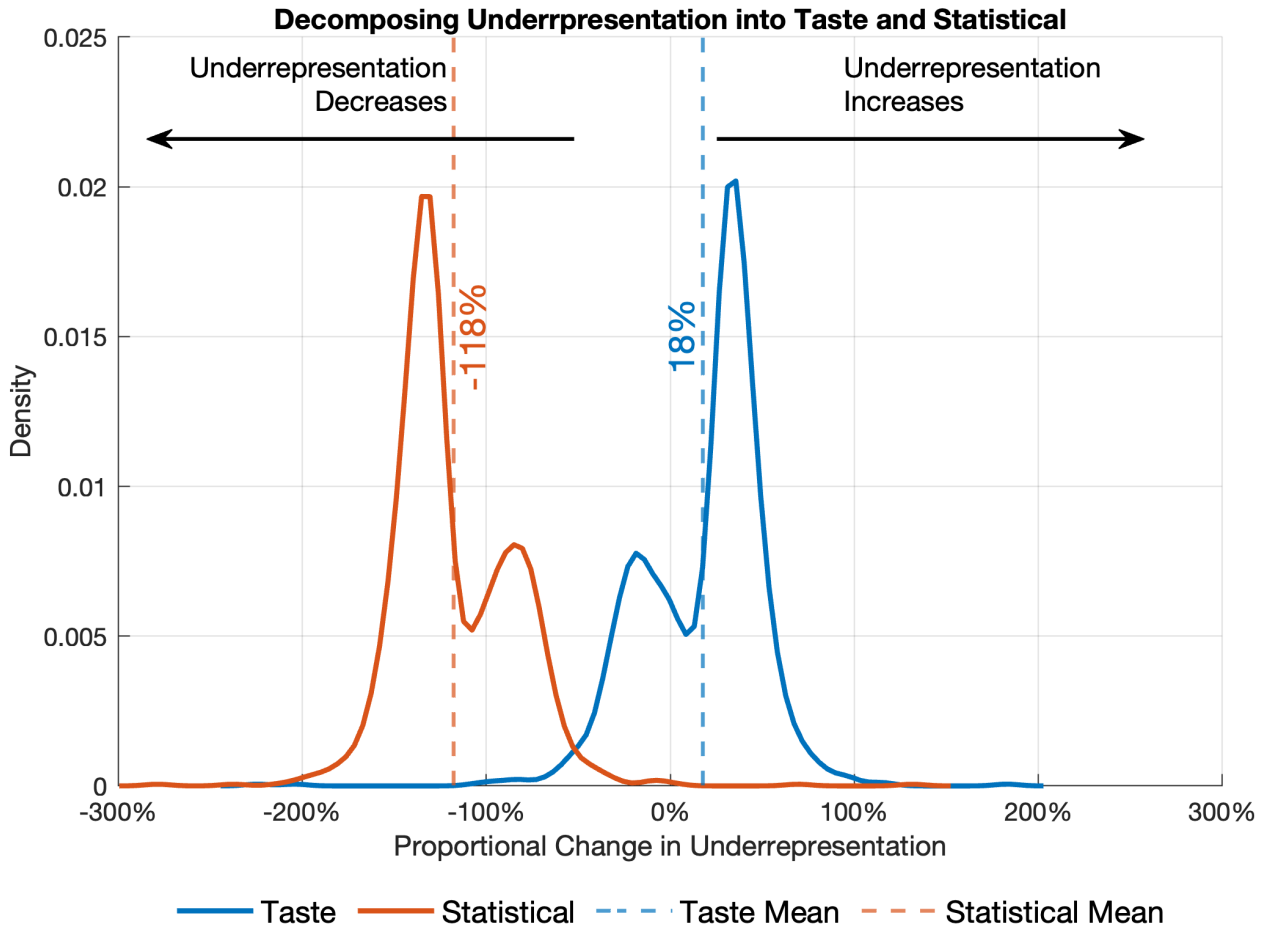
Decomposing Statistical vs. Taste-Based Discrimination

- Because vote choices are nonlinear in discrimination sources, decomposition depends on the order in which each is shut down.
- Evaluate both: shutting down statistical first (ST) & statistical after taste-based (TS).
- Underrepresentation is: $\Delta_{base} = \text{Fem Pop Share} - s(\hat{\theta})$.
- Compute marginal changes for ST:
  1. $\Delta_{ST,stat} = s(\hat{\theta}) - s(\hat{\theta}; \text{no-stat})$
  2. $\Delta_{ST,taste} = s(\hat{\theta}; \text{no-stat}) - s(\hat{\theta}; \text{no-stat, no-taste})$
  3. And analogously for TS
- Final decomposition:

$$\text{Decomp}_{stat} = \frac{\Delta_{ST,stat} + \Delta_{TS,stat}}{2 \cdot \Delta_{base}}; \ \text{Decomp}_{taste} = \frac{\Delta_{TS,taste} + \Delta_{ST,taste}}{2 \cdot \Delta_{base}}$$

By construction: $\text{Decomp}_{stat} + \text{Decomp}_{taste} = 100\%$.
We compute these for each municipality & plot the resulting densities.

Statistical vs. Taste-Based Discrimination



Municipality Optimal Campaign

- Tailoring campaigns to local context enhances effectiveness.
- We define the Municipality Optimal Campaign by selecting, for each municipality m, the campaign D_m^* that maximizes predicted female vote share:

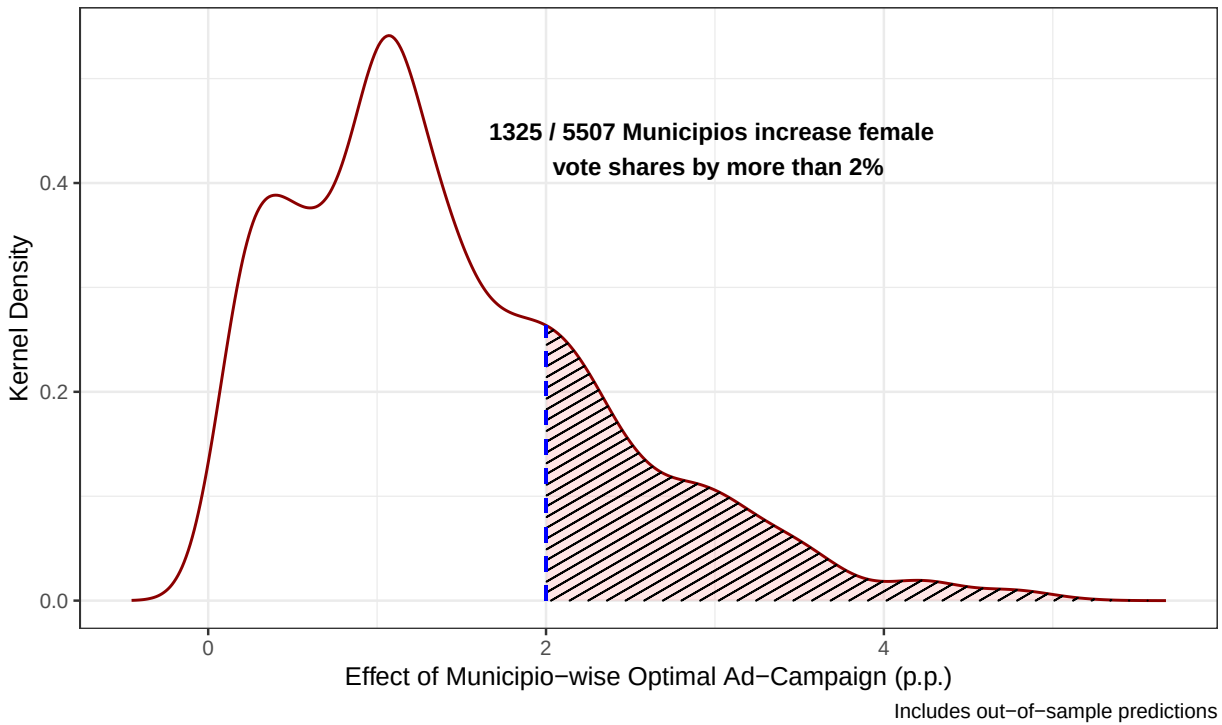
$$D_m^* = \arg \max_{D \in \{0,1\}^{10}} s_m(D, X_m; \hat{\theta})$$

$$s^{\text{mun-optimal}}(\hat{\theta}) = \frac{1}{M} \sum_{m=1}^{M} s_m(D_m^*, X_m; \hat{\theta})$$

Counterfactual Simulations

		Vote-Share			Votes		
Counterfactual Name	Description	Est (p.p.)	Diff (p.p.)	p-value	Est	Diff	p-value
Baseline	No messages sent to voters	24.005			6665.976		
		(2.266)			(703.590)		
Aggregate Optimal	Optimal campaign at the country level	25.015	1.011***	0.001	6842.793	177.019**	0.038
		(2.807)	(0.304)		(885.929)	(85.276)	
Municipal Optimal	Municipal Optimal campaign	25.412	1.408***	0.000	6956.087	290.313***	0.000
		(2.763)	(0.293)		(877.416)	(74.544)	
Municipal - Aggregate Optimal	Difference b/w municipal and national		0.397***	0.001		113.294***	0.002
			(0.118)			(36.178)	

Counterfactual Simulations



Conclusion

- Identity problems in political behavior are fundamental
- Future research in Political Economy & Political Science can extend our framework to explore alternative dimensions of identity (Bonomi, Gennaioli & Tabellini 2021; Gennaioli & Tabellini, 2025)
- Working towards a workhorse empirical model of political behavior $\Rightarrow$ micro-quantitative assessment of identity politics, discrimination in elections, political campaign effectiveness, etc.
- Small examples of how Economics can enrich all Social Sciences at work on these issues –pretty much what Guido has done throughout his career