

A Model of Focusing in Political Choice*

Salvatore Nunnari[†]
salvatore.nunnari@unibocconi.it

Jan Zápala[‡]
j.zapal@cerge-ei.cz

April 2017

Abstract

This paper develops a theoretical model of voters' and politicians' behavior based on the notion that voters focus disproportionately on, and hence overweight, certain *attributes* of policies. We assume that policies have two attributes and that voters focus more on the attribute in which their options differ more. First, we consider exogenous policies and show that voters' *focusing* polarizes the electorate. Second, we consider the endogenous supply of policies by office-motivated politicians who take voters' distorted focus into account. We show that focusing leads to inefficient policies, which cater excessively to a subset of voters: social groups that are larger, have more distorted focus, are more moderate, and are more sensitive to changes in a single attribute are more influential. Finally, we show that augmenting the classical models of voting and electoral competition with focusing can contribute to explain puzzling stylized facts as the inverse correlation between income inequality and redistribution or the *backlash effect* of extreme policies.

JEL Codes: D03, D72, D78

Keywords: Focus; Attention; Salience; Political Polarization; Probabilistic Voting Model; Electoral Competition; Behavioral Political Economy; Income Inequality; Redistribution

*We are grateful to Vincent Anesi, John Duggan, Tasos Kalandrakis, Navin Kartik, Filip Matějka, Alessandro Riboni, Daniel Seidmann, Guido Tabellini, Stephane Wolton, as well as seminar audiences at the Political Economy Webinar, University of Nottingham, Universitat Pompeu Fabra, CERGE-EI, Universität Wien, University of Rochester, California Institute of Technology, the 2017 Annual Meeting of the Midwest Political Science Association, and University of Southern California for helpful comments and interesting discussions.

[†]Bocconi University and IGIER, Via Rontgen 1, Milano, 20136, Italy.

[‡]CERGE-EI, a joint workplace of Charles University and the Economics Institute of the Czech Academy of Sciences, IAE-CSIC and Barcelona GSE, Politických Vězňů 7, 111 21 Prague, Czech Republic.