

ESSAYS ON RENT EXTRACTION AND JUDICIAL DECISION MAKING:
EVIDENCE FROM KENYA

A Dissertation

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Abstract

This dissertation examines public officials' behavior through monitoring and political shocks. Our sample is drawn from Kenya's county officials and judicial officers of the High Court. The dissertation consists of two main chapters. In the first, we examine at what stage is audit information from public oversight institutions successful in effecting political accountability. We use publicly released audit information on the newly established county governments in Kenya, outcomes of the Public Accounts Committee (PAC) that initiates the implementation of audit queries, a nationally representative survey, and electoral returns. We find that individuals interviewed immediately after the release of corruption news are less likely to trust their county executives and disapprove of their performance than those interviewed just before. We also show that unresolved audit queries through the PAC before an election reduces the incumbent's reelection and margin of victory for county executives as well as local legislators in the County Assembly. Specific unresolved audit irregularities drive these effects. Our findings underscore the importance of objective rent-seeking information from supreme audit institutions and the PAC in maximizing audit impact and putting public officials into account.

In the second main chapter, we investigate to what extent ethnic politics and identity shape public officials' behavior. Using Kenya's high court criminal appeals data, we exploit Judges quasi-random assignment to cases and investigate an elite group of public officials who are conceivably immune to ethnic bias. We find robust evidence for ethnic disparities in Kenya's criminal justice system and an emboldenment effect on judicial officers whose ethnicity is disproportionately represented in the civil service through co-ethnic favoritism and negative bias on ethnic groups with long-held animosity. Increased transparency through judicial reforms can dampen this effect, except for courts located in ethnic homelands. The dissertation findings

contribute to the growing economics literature on personnel economics of the developing state and have important public policy implications for improving the quality of government and the establishment of inclusive and accountable political institutions.

Dedication

To my parents, with love and gratitude.

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CHAPTER ONE

1.0 Introduction

A well-functioning public service is key in the provision of public goods, ensuring equity, accountability, and sustainable development. However, in many developing countries, evidence has shown large-scale absenteeism in the education and health sectors, ethnic favoritism in the distribution of public goods, and corruption in most of the government sectors (Avis, Ferraz, and Finan 2018; Banerjee and Duflo 2006; Beiser-McGrath et.al 2020; Callen et al. 2016; Miguel and Gugerty 2005). Correcting these vices that undermine economic development requires studying public officials' behavior either through selection, incentive structure, monitoring, and political institutions that affect their daily work and behavior (Vanden Eynde, Kuhn and Moradi 2018; Finan, Olken, and Pande 2017). In examining these avenues, this study uses two groups of Kenya's public servants, namely, county elected officials and judicial officers. From the elected officials, we investigate information flows in the monitoring of the officials by public institutions and the citizens'. Further, we use judicial officers to examine how political institutions influence their behavior.

Governments have established monitoring systems to ensure accountability. The most notable institutions are the Supreme Audit Institutions (SAI), ethics and anti-corruption commissions, and the directorate of criminal investigations, among others. However, to what extent these institutions are effective is still unknown in most countries. Evidence shows that government monitoring improves performance outcomes. Olken (2007) conducted a field experiment in Indonesia's local level road construction program through a government audit program. He found that the audits acted as a deterrence mechanism by reducing unaccounted expenditure by 8 percentage points. In Brazil, Ferraz and Finan (2008) examined municipal

governments randomly audited accounts of federal transfers by government auditors. They find that the incumbents' reelection rate decreased by 7 percentage points on municipalities that reported more violations before the election, as opposed to their control group, which was audited after the election and had the same level of violations. Therefore, good monitoring through audits removes information asymmetry between the employer (citizen) and employee (elected officials) and can help voters select leaders that are competent and punish those who are not. This avenue also empowers citizens in amplifying their voice in calling for enhanced service delivery and combating corruption.

How political institutions influence the day to day work of public officials has been overlooked. Lehne, Shapiro, and Vanden Eynde (2018) use India's local political candidates' surnames and match them with contractors' surnames to identify irregularities in the allocation of major road construction contracts. Using regression discontinuity design that exploit close elections, they show that a politician who comes into power increases the share of road construction contracts by 83% to a contractor who shares their surname. Constitutionally, bureaucrats are immune to political pressures. However, Iyer and Mani (2012) use the Indian Administrative Service data to show that politicians use their power to control bureaucrats through transfers, with bureaucrats with a close affinity to the politician's party or caste getting important positions. Neggers (2018) find own-group (caste and religious) favoritism among election officers influencing India's election outcomes.

Vanden Eynde, Kuhn, and Moradi (2018) provide evidence of how political ethnic politics affect public servants' daily performance at the workplace. Using Kenya's police officers under different political systems in the country, they find a lack of discipline among police officers whose ethnicity was associated with the ruling party. They posit that the results are as a result of

behavioral change among the policemen as co-ethnic police officers experience an emboldenment effect. Similarly, Shayo and Zussman (2011, 2017) study in-group bias in Israeli judicial outcomes. They find that exposure to conflict increases in-group bias if a plaintiff's claim is assigned to a Judge of the same ethnicity.

Understanding the public sector is critical in improving the quality of government and overall economic development. This new and growing strand of literature described as "personnel economics of the government sector" by Finan, Olken, and Pande (2017) will help us understand the individuals who provide public services and the state institutions' internal workings. As earlier stated, this study will first start with the monitoring mechanisms of public officials and conclude with ethnic politics and political institutions' influence on public officials' behavior.

Kenya provides a good case study because of its polarized and politicized ethnic structure with major tribes prone to ethnic political capture. Historically, the British geographically demarcated boundaries using ethnic settlements with despotic ethnic chiefs as leaders. Over time, this kind of ethnic leadership has persisted in creating such type of leaders. Moreover, decades of developmental imbalances and subsequent electoral violence led to creating forty-seven devolved units of governance with more fiscal responsibility through a new constitution in 2010. The new constitutional dispensation sought to change this narrative and empower the citizenry through enhanced service delivery and extensive institutional reforms, most notably, the judiciary.

Further, accountability was given a top priority through the creation of oversight institutions over these local governments. These were the County Assembly that would be in charge of budget approval among other oversight duties, the Senate through the Public Accounts and Investment Committee, and a revamped Office of Auditor General (OAG) with regional offices to undertake annual and special audits. Further, the Judiciary underwent reforms by

establishing a Judicial Service Commission (JSC) that would use a merit-based system to appoint Judges and digitize judicial services to increase transparency.

Exploiting the plausible exogenous timing of the release of audit information with the timing of the seventh round of the Afro-barometer individual-level survey, which tested voters' perceptions on trust, corruption, and performance of their county executives', we compare individuals interviewed in the days before the release of the corruption news with individuals interviewed immediately after the corruption news release. Secondly, we take advantage of the first gubernatorial elections, which happened before the county governments were officially established, to test county executives' electoral accountability. Lastly, we exploit local Assemblies close elections that assign incumbency as if random to ascertain if the electorate also punishes corruption by local legislators who are to oversight county executives. This analysis fulfills the study's first main objective of the monitoring mechanism among public officials.

To the best of our knowledge, this is the first study to provide the rigorous empirical evidence of the concerted work between two public accountability institutions (OAG and PAC) at the local level in corruption-information divulgence and the role that information plays in shaping citizen's political attitudes and promoting electoral accountability in Kenya. Besides, this study adds to the growing literature of studies that use objective rent-seeking measures from audit reports to investigate political accountability and corruption deterrence (Avis, Ferraz, and Finan 2018; Ferraz and Finan 2008; Zamboni and Litschig 2018). Policy-wise, it shows the need for a symbiotic relationship between supreme audit institutions and parliamentary oversight institutions in maximizing audit impact.

The final main objective of examining how ethnic politics and political institutions influence daily work performance or service delivery among public officials is met by using Kenya's high

court criminal appeals. Kenya's judicial officers are quasi-randomly transferred across their duty stations, and case assignment is based on the current caseload. Under increased transparency, the quasi-random assignment means that defendants and case unobservable characteristics are comparable across Judges (Abrams, Bertrand, and Mullainathan 2012; Shayo and Zussman 2011, 2017). Using Kenya's judicial data on criminal appeals, we examine co-ethnic bias as well as rulings by judges whose ethnic groups have long held historical animosities.

The subsequent analysis contributes to the empirical literature on ethnic favoritism (Alesina, Baqir, and Easterly 1999; Beiser-McGrath et.al (2020); Hjort 2014; Miguel and Gugerty 2005; Posner and Harris 2018). In particular, it is related to the persistence of ethnic bias in the judicial system work by Shayo and Zussman (2011, 2017); political bias in judicial outcomes (Park 2017; Besley and Payne 2003); and closely to Vanden Eynde, Kuhn, and Moradi (2018) work on the emboldenment within state officers when their co-ethnics hold political power. To the best of our knowledge, we provide the first evidence of the effects of ethnic power politics on the functions of an elite group of public officials, Judges, who are conceivably immune to bias. Furthermore, the focus on the political dominance of certain ethnic groups adds to recent work by Vanden Eynde, Kuhn, and Moradi (2018), who show that political shocks by ethnic dominance are crucial drivers of poor performance in the public service compared to ethnic diversity in previous studies.

1.1 Main findings

The first main chapter of this dissertation examines how public audits affect political accountability. We find that individuals interviewed immediately after the release of corruption news are less likely to trust their Governors and disapprove of their performance. Also, incumbents in counties that did not resolve audit queries through the PAC before the election have a decreased reelection rate on gubernatorial electoral outcomes. The effect is driven by political corruption,

irregular revenue collection, and irregular procurement. For incumbent local legislators who forfeited their oversight role, their margin of victory in the next election also decreases. Their loss can be attributed to the misappropriation of county funds through irregular travel expenditure and irregular sitting allowances. These findings are consistent with previous work on audits and political accountability.

The second main part investigates the effect of political shocks either through violent ethnic conflict or institutional reforms on the day-to-day performance of Judges on criminal appeals. We find ethnic disparities in Kenya's criminal justice system and an emboldenment effect on judicial officers from high status ethnic groups who are disproportionately represented in the civil service through co-ethnic favoritism and negative bias on other ethnic groups with long-held animosity. Increased transparency through judicial reforms can dampen this effect, except for courts located in ethnic homelands. Individual level perceptions support the post-reform high court cases findings of increased transparency in the judicial system.

1.2 Organization of the dissertation

This dissertation is composed of two main analytical chapters that focus on two institutional themes. In Chapter Two, the extent to which audit information from public institutions affect political accountability is analyzed using administrative and survey data from Kenya. The existing literature and research gap that the analysis attempts to fill is presented. Finally, the description of data, econometric model, and results are discussed.

In Chapter Three, the study focuses on how political shocks affect judges' day-to-day performance on criminal appeals. The background of Kenya's political shocks, as well as judicial reforms, are presented. The literature on the bias on the criminal justice system from different jurisdictions is reviewed, with a gap in developing countries and advanced democracies being quite

evident. High court criminal appeals data from Kenya, and individual level survey is used to fill this gap.

In Chapter Four, the study concludes with a discussion on the policy implications of the two analytical chapters.

CHAPTER TWO

Rent Extraction and Political Accountability: Evidence from Audit impact in Kenya

2.1 Introduction

Political accountability is an anchor to a well-functioning democracy (Ashworth 2012; Manin, Przeworski, and Stokes 1999). Governments and bureaucrats that are accountable to their electorate abide by the rule of law and are efficient in service delivery to their constituents (Easterly and Levine, 1997; Knack and Keefer, 1995). Those involved in political corruption negate the purposes of representative democracy (Adsera, Boix, and Payne 2003; Olken and Pande, 2012). For effective accountability to occur, where high-quality leaders are selected, voters need information about the incumbent's performance (Besley 2006; Fearon 1999). Uncertainty by voters on politicians' actions may not result in the reelection of good performers. Therefore, the voters' power of motivating the incumbents' or holding them accountable may be futile.

Information on politicians' performance and the political process improve political accountability and shape voter behavior. In contrast, the persistence of electoral malpractice, identity politics, and low-quality politicians in developing countries is due to a lack of information (Pande 2011). Findings on corruption-information and political accountability are mixed. For instance, publicly released audit information in Brazil reduced the incumbents' reelection if the audited municipalities had corruption violations, with more impact experienced in areas with local media (Ferraz and Finan 2008). However, in Mexico, Chong, De La O, Karlan, and Wantchekon (2015) find that providing information on incumbent's corruption decreases voter turnout, incumbent party support, voter turnout for the challenger party, and erodes partisanship. While findings are mixed, few studies have attempted to investigate the concerted work of two or more public accountability institutions, namely the Supreme Audit Institutions (SAI) and the

parliamentary oversight committee (PAC), in their accountability work. Therefore, with the provision of information for better governance involving a complex chain of conditions (Lieberman, Posner, and Tsai 2014), we use publicly released objective rent-seeking information by two public accountability institutions to investigate at what stage corruption-information from public institutions is successful in effecting political accountability, and under what conditions.

SAI's have been used by governments to monitor how public officials manage public resources. Francophone countries operate a judicial model of financial accountability where the audit institutions have powers to impose administrative penalties for breaches. However, most supreme audit institutions in Commonwealth countries like Kenya, operate a Westminster system that relies on the Parliament through the Parliamentary Accounts Committee (PAC) to initiate the implementation of their recommendations. In this kind of system, to ensure the audits have an impact, the SAI and PAC are meant to have a symbiotic relationship. Through objective and fact-based audit reports, the SAI provides information on how the government spends and manages public funds. The audit reports form the basis of the PAC's work where they provide a forum to give vent on the audit results by summoning and 'grilling' the concerned parties, and subsequently pushing for the corrective actions recommended by the SAI. If the corrective measures are resolved, the PAC clears the concerned party of the audit queries, and if not, they recommend further investigation and prosecution. Thus, in a Westminster model, the SAI and PAC are meant to work together to maximize audit impact and hence achieve their common objective of putting the executive into account.

After decades of developmental imbalances and subsequent electoral violence, the creation of forty-seven devolved governance units with more fiscal responsibility by the constitution of Kenya in 2010, sought to change this narrative and empower the citizenry through enhanced

service delivery. The new local governments were now responsible for health care, pre-primary education, local road infrastructure, and agriculture. In addition to the equitable share of the revenue of the central government's revenue, they also gained the right to collect specific local revenue (Matsumoto 2019; Mbithi et al. 2019). This new financial management architecture saw fiscal powers devolved to the county level. To ensure standardization and accountability, two new institutions were established, namely the Senate and local County Assemblies, whose primary responsibility was to exercise oversight over these local governments, and a revamped Office of Auditor General (OAG) to undertake annual and special audits. The local Assemblies oversight responsibility included vetting and approving nominees for appointment to county public offices, approving budget and expenditure of the county government, approving any borrowing by the county government, and approving the county development plan, among others. Further, the Public Financial Management Act (PFM) 2012 was enacted to promote sound financial management at the national and county government levels, ensure effective use of the limited resources, and create a conducive environment for investments, job creation, and poverty reduction. Thus, if the PFM system is not well implemented, the promise of devolution, which guarantees fiscal transfers of at least 15% of the nationally raised revenue, will be curtailed if not derailed.

Our research design exploits the plausible exogenous timing of the release of audit information with the timing of the seventh round of the Afro-barometer individual-level survey, which tested voters' perceptions of trust, corruption, and performance of their county executives'. Here we compare individuals interviewed in the days before the release of the corruption news with individuals interviewed immediately after the corruption news release. Secondly, we take advantage of the first gubernatorial elections, which happened before the county governments were officially established, to test on county executives' electoral accountability. Lastly, we exploit

local Assemblies close elections that assign incumbency as if random to ascertain if the electorate also punishes corruption by local legislators who are to oversight county executives.

We find that individuals interviewed immediately after the release of corruption news are less likely to trust their Governors and disapprove of their performance. On gubernatorial electoral outcomes, incumbents in counties that did not resolve audit queries through the PAC before the election have a 26.4 percentage point decrease in their margin of victory. This effect is contributed by political corruption, irregular revenue collection, and irregular procurement. For incumbent local legislators who forfeited their oversight role, their margin of victory in the next election decreased by 28.2 percentage points. The loss can be attributed to the misappropriation of county funds through irregular travel expenditure and irregular sitting allowances. All the analyses exclude counties that never resolved their audit queries through the PAC even after the election. This holds performance constant and isolates the effect of information revelation.

This study contributes to the empirical literature on corruption-information's role in effecting political accountability (Avis, Ferraz, and Finan 2018; Chong, De La O, Karlan, and Wantchekon 2015; Humphreys and Weinstein 2002; Ferraz and Finan 2008). In particular, it is related to Avis, Ferraz, and Finan (2018) and Ferraz and Finan (2008), who use objective rent-seeking measures from audit reports to investigate political accountability. We provide, to the best of our knowledge, the first rigorous empirical evidence of the concerted work between two public accountability institutions (OAG and PAC) at the local level in corruption-information divulgence and the role that information plays in shaping citizen's political attitudes and promoting electoral accountability in Kenya. From these contributions, our findings underscore the importance of objective rent-seeking information from supreme audit institutions and the PAC in maximizing audit impact and putting public officials into account.

The rest of the chapter is organized as follows. Section 2.2 gives the institutional background of the PAC and the OAG. Section 2.3 reviews studies of how information about corruption affects voters' behavior. Section 2.4 describes the data and presents descriptive statistics. Section 2.5 presents the identification strategy. Results are presented in section 2.6 and further discussed in section 2.7. We conclude the study in section 2.8.

2.2 Institutional Background

The OAG is an independent office established under Article 229 of the Constitution of Kenya 2010 with oversight responsibility over the legislature, the judiciary, the executive—both national and county—, constitutional commissions and independent offices. The OAG is mandated to audit and report on all institutions' accounts within six months after the end of each financial year. In their work, Article 229(6) requires the Auditor General (AG) to validate if public money was used lawfully and prudently and ascertain whether the citizens received value for their money. They also confirm that Counties are taking reasonable precautions to safeguard revenue collection, assets, and liabilities. Consequently, an independent auditor that is appointed annually by the parliament audits the OAG. Six months after the end of each financial year, the AG releases the audit reports, which are then tabled to the County Assemblies and the Senate.

The final audit report contains audit queries that the AG did not get adequate responses from the County accounting officers. These are the ones that it was evident that resources got misappropriated or laws and procedures were not followed. Some of the insufficient responses are when: the accounting officers cannot show reasons why procedures were not followed; when there is an unsupported expenditure, which is lack of required paperwork to show spending followed laid procedures; excess expenditure which is not authorized by the County Assembly; pending bills where payments are carried over to the next financial year; mismanagement of imprests which

entails unaccounted cash advances; failure to report ownership of assets and liabilities; irregular procurement, and little to no value for money on initiated projects, among others.

The fiscal oversight role is undertaken by the Senate Sessional Committee on County Public Accounts and Investments. Articles 229 (7) and (8) authorizes them to examine the AG's annual audit reports on the annual accounts of the county governments; and also to examine any special reports by the AG concerning county government funds and investments. The committee then scrutinizes the reports and invites the Governor as the chief executive officer to the County to clarify the raised audit queries pursuant to Article 96 (3), which gives it oversight powers over the county governments. The PAC then recommends appropriate steps to be taken to address the queries within three months. In situations where the irregularities are criminal in nature, the Director of Criminal Investigations (DCI), Director of Public Prosecution (DPP), or the Ethics and Anti-Corruption Commission (EACC) takes up the matter. The said offenses are violations of the PFM Act, which attracts a five years term of imprisonment or a fine of up to Kshs. 10 million¹, or both. Subsequently, the County Chief Officer responsible for finance reports suspected offenses to relevant law enforcement authorities. The public officers are personally liable for losses incurred by the County government if they result from their negligent acts or corrupt practices.

In addition to population, land size, and poverty, Article 203 (2) of the constitution also provides that the 15% equitable share to the counties from the nationally raised revenue be calculated based on fiscal prudence as exemplified in the audit reports, which gives a 2% weight in the overall calculation of the equitable share.

The obvious concern with public accountability institutions is on the credibility of the auditors and the PAC. If the two were corruptible, then our corruption measures would bias the

¹ USD 100,000 (1USD=Ksh.100)

outcomes of our comparison groups. However, the independence of the OAG as enshrined in the new constitution gives it independence from the executive and the legislature. This independence is evidenced by a series of petitions by the executive—both national and county—to remove the AG for exposing their corrupt activities both nationally and in the counties. The judiciary scuttled this attempt. Secondly, the auditors are competitively hired and well paid. There have never been reported cases of bribery among the auditors. However, if found guilty of engaging in corruption, one can be fined Ksh 1,000,000 or imprisonment for a period not exceeding ten years or both. Thirdly, the PAC is well structured to ensure objectivity. To ensure the legislators do objective work, the OAG has a dedicated office under the Director, Parliamentary Liason Office, which monitors PAC hearings and provides feedback to audit teams, and attends to request for information from the legislators. Here they give an oral and written briefing in advance of public hearings and record the proceedings after the hearings. Also, they follow up on all audit queries to ensure that they are resolved and report back to the PAC with recommendations. Lastly, when a Governor is summoned for public hearings, the PAC allows the county’s Senator who is in charge of oversight of his or her county, to participate in the proceedings, and failure to honor summons by the Governor results in Ksh 500,000 fine or an arrest warrant or both². However, on the other hand, the same cannot be said of the PAC at the County Assembly, whose responsibility is to oversee the county executives’ expenditure and execute its mandate through debating annual audit reports from the OAG at the local level (Ngugi 2017).

The local assemblies were established in 2013 to oversee the county executive. In total, there are 47 county assemblies with a total number of 1450 wards that are represented by the Members of the County Assembly (MCA). Thus, in total, the country has 1450 elected local

² Based on authors interviews with audit officers at the Office of the Auditor General and the Parliamentary Accounts Committee officials at Parliament Buildings in Nairobi.

legislators. The MCA's are elected by registered voters the same day as the governors, the members of parliament, and the president. The winner is the one who garners a simple majority of valid votes cast. Their work is to oversight the county executive, approve county budgets, legislate on local taxation, and involve their constituents in public participation in the budgeting process, among others.

2.3 Literature review on corruption-information and political accountability

Early literature has shown the need for information by the electorate to discern representative and unrepresentative governments, thereby selecting good leaders and sanctioning poor performance (Manin, Przeworski, and Stokes 1999). Pande (2011) finds that voter behavior can be shaped and that political accountability is improved by information about politicians' performance and the political process. Also, the persistence of electoral malpractice, identity politics, and low-quality politicians in developing countries can be attributed to a lack of information. Banerjee et al. (2011) provide information on the incumbent legislator's performance and qualification, and their two primary challengers. The treated areas result in high turnout, less vote-buying, with the better performing and more qualified incumbents experiencing higher vote share. Elsewhere, by using the report of Brazil's municipality random audits on federal transfers, Ferraz and Finan (2008) construct their corruption indicator and compare municipalities with the same level of corruption. They find that the incumbents' reelection rate reduced by 7 percentage points on municipalities where two violations were reported before the election, as opposed to their control group, which was audited after the election, with more effects in areas with local media.

Using the same random audits in Brazil, Avis, Ferraz, and Finan (2018) examined four potential mechanisms of deterring corruption by exposing corrupt politicians. The first is electoral

accountability, where politicians may refrain from corruption if the audits increase the probability of being exposed to the voters. The second is judicial accountability, where politicians may not engage in corrupt practices if the audits increase their legal or reputation costs. The third is political selection, where the audits may increase voter's likelihood of rewarding incumbents through reelection or punishing the corrupt ones. The fourth is through political entry, where the audits make new and less corrupt candidates run for office by changing the political environment. They find that audits did reduce corruption, mainly through increasing the perceived legal costs than the other channels. Their results are in line with earlier findings that the divulgence of information on transparency promotes government responsiveness (Besley and Burgess 2002), deters theft of public resources (Adsera, Boix, and Payne 2003; Reinikka and Svensson 2005), and improves legislators performance (Snyder and Stromberg 2010).

Other studies have found different effects. Humphreys and Weinstein (2002) randomly disseminate information on the behavior of Ugandan Members of Parliament (MPs) to their constituents and find that the voters are receptive to the information. However, the MPs are non-responsive to higher transparency even after they were informed that the information would be disseminated to their constituents, and their reelection prospects are not threatened. Similarly, using a randomized experiment on delegate behavior in Vietnam, Malesky, Schuler, and Tran (2012) find that improved transparency did not improve the delegates' performance.

Elsewhere, Chong, De La O, Karlan, and Wantchekon (2015) use a field experiment in Mexico to investigate if divulging corruption information inspires the fight against corruption or derails it, with a focus on voter turnout. Using corruption information conducted a week before the 2009 municipal elections by the Mexican Federal Auditor's office, they randomly assigned it to the voting zones by distributing flyers door to door. They find that providing information on

incumbent's corruption decreases voter turnout, incumbent party support, and voter turnout for the challenger party, and erodes partisanship. Through additional survey data, they find that their corruption-information did not change the electorates' belief that the municipal government was corrupt, only in areas where the exposed corruption was high. Thus corruption information on political accountability may make voters withdraw from the political process. They attribute this to situations where the challenger parties' candidates were local congressmen, a highly discredited position in Mexican politics. Hence, voters withdraw from the political process when they think that no politician is of high quality or incorruptible.

Findings on corruption exposure and political accountability are mixed, with methodological challenges of corruption measurement being common. Therefore, we seek to complement the existing studies by using the newly established county governments in Kenya and circumvent the measurement problem of using corruption perception measures by using audit reports. Besides, our timing is sufficient to tease out under what conditions and at what stage that information is useful as the first gubernatorial elections took place before officially establishing the county governments. Also, most of the electorate had no prior knowledge of the governors' rent extraction behavior, nor had any corruption-related information on politicians through an audit institution been disseminated and publicly interrogated before in the country.

Using individual-level survey data, electoral returns, and corruption measures from audit reports and workings of the PAC, we study how divulging incumbent's corruption information affects the citizens' political attitudes, political behavior, and electoral competition. We believe that this will complement previous studies that have used politicians that do not control a substantial amount of resources (Humphreys and Weinstein 2002; Malesky, Schuler, and Tran 2012), and short-lived experiments that may have external validity concerns (Chong, De La O,

Karlan, and Wantchekon 2015; Bernajee et al. 2011). Further, having a case of politicians that control substantial resources being publicly put to task by the PAC in a developing country gives a new context in corruption-information dissemination, especially in a top-down monitoring approach.

2.4 Data and Descriptive Statistics

2.4.1 Data

In constructing our rent-seeking measures, we use county executive audit reports from the OAG³. The data entails audit queries from national transfers as well as locally collected revenues. It covers irregular procurement, under expenditure, irregular payments, pending bills, unsupported expenditure, unaccountable expenditure, irregularly collected revenue, unbudgeted expenditure, stalled or uncompleted projects, and unrefunded imprests. We follow Litschig and Zamboni (2012) and Brollo et al. (2013) in using a comprehensive measure of mismanagement irregularities, as well as Ferraz and Finan (2011) approach to political corruption. Additionally, we use local assemblies irregular travel expenditure and irregular sitting allowance to measure rent extraction at the local assemblies.

As OAG in Kenya operates a system that relies on the Parliament through the Parliamentary Accounts Committee (PAC) at the Senate to initiate the implementation of their recommendations, our second measure of corruption-information divulgence is by these two institutions through the media. We access this information by extracting the time stamp of when the corruption news (audit queries) of each county appear online, and specifically on Twitter. With over 1 billion users worldwide, Twitter is one of the most important political information mediums. For authentic and accountable sources, we focus on original tweets by media houses in Kenya and

³ See Appendix page 114 for illustration.

international media. As all media houses now have presence on twitter, any news posted on their twitter pages is bound to be the news that is reported on their radio, TV, or print media. We collect detailed data using Twitter Firehose and API. The corruption news (audit queries) are those that come from either the OAG or the PAC. The Afrobarometer survey is conducted by county-level teams who record the time stamp for each respondent. Therefore, we use the news time stamp and survey time stamp to generate the distance to corruption news release (the difference between survey time and news release time). Individual-level variables of trust, performance approval, and corruption perception on governor come from round seven of the Afrobarometer survey. The surveys are nationally representative, with the interviewees being of voting age. The seventh-round was conducted between September and October 2016 (Afrobarometer 7, 2016), after the initial audit information had been released, as shown in figure 2.1.

[Figure 2.1 about here]

Our last measure of corruption-information dissemination, which is applied in all analyses, is the workings of the PAC⁴. Accordingly, we use the information of the county executives who resolved their audit queries before the elections compared to executives who resolved their queries after the election, and those who had resolved before the survey compared to those who resolved after. As voters may react to worse service delivery, and not PAC findings or unfavorable audit opinion, we exclude executives that did not get to resolve the queries even after the election. This holds performance constant and isolates the effect of information revelation.

Electoral measures at the county and ward level, which include the margin of victory, vote share, and voter turnout, come from the 2013 and 2017 electoral returns by the Independent Electoral and Boundaries Commission (IEBC)⁵. The data is also used to construct political

⁴ See Appendix page 119 for illustration

⁵ www.iebc.or.ke

competition measures, namely political fractionalization and political polarization⁶. From the Council of Governors profiles⁷, we also construct the incumbent governors' individual characteristics such as education, party affiliation, and prior political experience.

In capturing other county-level characteristics, we rely on the Kenya National Bureau of Statistics (KNBS). Here we use the 2009 Population Census and the Socio-economic atlas of Kenya (2014) to get the population density, proportion of households owning a radio, television and with an internet connection, proportion of the poor, income inequality, and share of the population living in urban areas, average years of primary schooling, and access to the nearest town by Goodman et al. (2019). With ethnic demography being a politically sensitive issue in Kenya, the government does not release current local ethnic composition data. To construct the ethnic fractionalization index, we use the 1989 census data and use the former districts which correspond to the current counties. Since independence, the ethnic composition has been stable (Burgess et al. 2015; Matsumoto 2019). Some counties have a dominant ethnic majority. As voting in Kenya has always been on tribal lines, the ethnic composition in these counties may not affect voting patterns. However, 22 counties lack an ethnic dominant group. This may affect the voting

⁶ From the 2013 and 2017 electoral returns, we construct the proportion of votes gained by each party or independent candidates and follow Esteban and Ray (1994) in constructing our index of political polarization where: Political polarization_{ER} = $K \sum_{i=1}^n \sum_{j=1}^n v_i^{1+\alpha} v_j |p_i - p_j|$. v_i is the proportion of votes gained by party or independent candidate i , p_i is the position of the party or independent candidate i , and \bar{p} is the weighted mean of the party or independent candidate's policy positions. α is a parameter indicating the sensitivity of the index to the formation of the groups (polarization), thus the higher the α , the more sensitive the index is to larger groups and using $\alpha \cong 1.6$ which satisfies their three axioms, we can assess through one dimension (right-left scale) how close or far the parties are to each other.

Following Alesina et al. (2003), we construct political (ethnic) fractionalization indexes fractionalization_m = $\sum_{i=1}^N (1 - \pi_i) \pi_i$ where π_i is the proportion of people belonging to political (ethnic) group i . The index for ethnic fractionalization is interpreted as the probability that two randomly selected individuals from a given county belong to different ethnic groups. The index for political fractionalization is interpreted as the probability that two randomly selected individuals from a given county voted for a different party or candidate in the gubernatorial elections.

⁷ www.cog.go.ke

patterns if the candidates seek to appeal to their own ethnic group. Also, the voters may have an affinity for voting for a candidate from their own ethnic group.

2.4.2 Descriptive Statistics

Table 2.1 shows the citizens' responses to their county leaders' trust, performance approval, and corruption perception before and after corruption news was released. From the survey, three questions that ask about the respondents' perception on their trust levels, performance approval, and corruption perception of their governor⁸. In panel A, after the release of corruption news, citizens' trust in their county executives decreases from 49.6% to 43.6%. The same is witnessed in performance approval with a decrease from 61.4% to 50.7% and no difference in corruption perception measure between the two periods. In panel B, those interviewed before the news release are younger at 36 years compared to 37 years in the pre-news period. 26.9% of the respondents in the pre-news period live in urban areas compared to 39% in the post-news period. Respondents interviewed before the news release have less public goods provision (water connectivity) at 42.1% compared to 49.9% in post-news

[Table 2.1 about here]

⁸ For Trust perception, the question is "How much do you trust each of the following, or haven't you heard enough about them to say? Your County Governor". The responses are measured in a four-point scale: Not at all; A little; somewhat; and A lot. We group the first two (Not at all and A little) and the last two (Somewhat and A lot) response categories and create a binary variable. For corruption perception, the question is, "How many of the following people do you think are involved in corruption, or haven't you heard enough about them to say. Your Governor and officials in his office". The survey responses are measured in a four-point scale: None; Some of them; Most of them; and All of them. We group the first two (None and Some of them) and the last two (Most of them and All of them) response categories and create a binary variable. Lastly, for performance approval, the question is, "Do you approve or disapprove of the way that the following people have performed their jobs over the past twelve months, or haven't you heard enough about them to say? Your County Governor" the responses are in a four-point scale: Strongly disapprove; Disapprove; Approve; and Strongly Approve. These we group into two to form a binary variable of the first two (Strongly disapprove; Disapprove) and the last two (Approve and Strongly Approve).

Table 2.2 compares the incidence of irregularities in the audit queries between counties, which resolved their audit queries before the election as opposed to those who resolved after the election. We report the incidence of irregularities. All the cases reported from 2014 to 2016 (the first report to the last before the election in 2017) are aggregated. To assess the effect of all reported irregularities before the election, we take the total number of irregularity cases as the sum of 3 years. Counties that resolved audit queries after the election have higher total incidences of irregularities than those who resolved audit queries before the election. They also have higher political corruption, pending bills, and unbudgeted expenditure. It is important to note that even in counties where all the audit queries were resolved before the election by the PAC, 17.8 irregular cases were reported.

[Table 2.1 about here]

The political corruption indicator is our corruption measure, which follows Ferraz and Finan (2011) strict categorization of events that directly led to the diversion of funds. This categorization is an aggregated sum of the following irregularities: irregular revenue, unaccountable expenditure, and irregular payments. Mismanagement acts irregularities that we are certain that money was not lost in any form in under expenditure and unbudgeted expenditure. The other irregularities may or may not have led to direct loss of money; hence we do not include them in our strict categorization. Such irregularities entail activities that disrupt the smooth work of the county or misuse of county resources.

Table 2.3 reports governors political characteristics who resolved audit queries before the election and those who resolved after the election. The margin of victory is calculated by taking the difference in the share of votes between the winning candidate and the runner-up. A negative margin means that incumbents lost the position. Voter turnout in Kenya is relatively high (85%),

and the governor needs a simple majority to win the race. In the election before the audit system was introduced (2013), there is no difference in electoral returns (margin of victory, voter turnout, political polarization, and political fractionalization) between counties who resolved audit queries before the election and those who resolved after the election. In the election after the audit system was introduced (2017), however, in the counties where the governors had already resolved the audit queries, the incumbents' margin of victory was 18.2% compared to -3.2% in counties that resolved the queries after the election. However, on voter turnout, incumbents in counties that resolved the queries after the election had higher turnout at 79.3% compared to incumbents in counties that resolved before the election at 70.8%. There's no statistical difference in the political competition measures of political polarization and fractionalization. These comparisons may suggest that revealed information on the governor's corruption via the new PAC system affects voting behaviors.

[Table 2.3 about here]

Table 2.4 reports other County and Governor characteristics before the audit system was introduced. Counties that resolved audit queries before the election have younger Governors at 50 years compared to those who resolved after the election at 58 years. No significant difference is found on other characteristics, such as ethnic fractionalization, being a member of the ruling coalition, or education levels of the governor.

[Table 2.4 about here]

Table 2.5 presents MCA's electoral outcomes, and related audit irregularities for local legislators that either won or lost in 2017. MCA's are meant to oversight the county executive, however, they are not immune to corruption. The two pathways that they can extract rents is through earning sitting allowances above the capped amount by the SRC, and the second one is

through travels, both domestic and overseas. If the electorate have access to information on their corruption levels, their reelection rates may be negatively affected. For those who won, they have a higher margin of victory in 2013 at 22.2% and 18.4% in 2017 compared to those who lost at 16.7% in 2013 and -22% in 2017. For those in county assemblies that lost, their county assemblies had high irregular travel expenditure in 2016 at 27.1% compared to 19.6% on those who won. This is the same for the total irregular travel expenditure. However, those who won have higher irregular sitting allowances in 2015 at 65.1% compared to 56.2% for those who lost. However, this difference is not seen in 2016, just before the election.

[Table 2.5 about here]

2.5 Identification strategy

2.5.1 Citizens' trust and perception of the governor's corruption and performance

Our individual-level analysis, which exploits the as-if random assignment of the news release with the Afrobarometer survey, is premised on the fact that people cannot know the results of the audit report and the workings of the PAC in advance. They cannot predict when the news is released on the corruption of their county government. Therefore, the news release did not in any way interfere with the survey. As shown by Depetris-Chauvin, Durante, and Campante (2020), as well as Eifert, Miguel, and Posner (2010), the implementation and execution of the Afrobarometer survey involves a lot of procedures and logistics and in no way is it influenced by the release of county corruption news. Our covariates pre and post news release in Table 2.1 are largely balanced between respondents interviewed before and after the news release, and interviewers' characteristics, except respondents' age, public goods provision (water connectivity), and urban residence. However, we proceed and control for the entire set of characteristics in all our regressions.

In estimating the impact of the release of the corruption information on the citizen's perception of their county executives trust, performance approval, and corruption levels, we test the following estimation:

$$Y_{ist} = \alpha + \sum_d \rho_d D_{dist} + \varphi Z_{ist} + \beta X_{st} + \mu_s + \lambda_{dm} + \varepsilon_{ist} \quad (1)$$

Where Y_{ist} is individual i 's trust or perception of performance and corruption levels of executives in county s where he or she lives at time t . D_{dist} is a set of dummy variables taking one if respondent was interviewed after s days after the release of corruption news. For those who were interviewed before the news release, s takes negative value. Estimated coefficients ρ for $d > 0$ are expected to be negative if citizen respond to corruption news and lower their perception on their county executives trust. For respondents interviewed before the corruption news was released, coefficients ρ for $d < 0$ are expected not to affect their trust. We exclude individuals interviewed in the day of the news release. Z_{ist} is a set of individual-level characteristics such as age, gender, education (secondary school graduate), employed, source of news (radio, TV, newspaper, internet, or social media), electricity connectivity, and urban resident. X_{st} is a set of time-variant county-level characteristics such as ethnicity, while μ_s is county fixed effects and λ_{dm} are a vector of dummies for day of the week and month of the information release to account for within month or weekday patterns in the responses.

As the above event analysis accounts for the effect at the instantaneous moment of treatment, we run a simple Difference in Difference (DID) model to account for the average effect during the whole treatment window. We estimate the following model.

$$Y_{ist} = \alpha + \delta Post_{ist} + \varphi Z_{ist} + \beta X_{st} + \mu_s + \lambda_{dm} + \varepsilon_{ist} \quad (2)$$

$Post_{ist}$ is a dummy variable taking one if the respondent was interviewed after the release of corruption news and zero otherwise. The coefficient (δ) captures the impact of the information on citizens' perception on governor's corruption

For examining heterogeneous impacts of the release of corruption news by access to such information (U), we run the following model:

$$Y_{ist} = \alpha + \delta Post_{ist} + \delta'(Post_{ist} \times U_{ist}) + \varphi Z_{ist} + \beta X_{st} + \mu_s + \lambda_{dm} + \varepsilon_{ist} \quad (2)'$$

2.5.2 Gubernatorial electoral outcome in 2017 and audit irregularities

We examine how the audit report's release (number of irregularities and type of irregularities) and subsequent follow up by the PAC affect the gubernatorial electoral outcome in 2017. As there was no county governance system before the release of the first audit report in 2015, we run OLS regression on the number of audit irregularities from the first audit report for the 2014 fiscal year to the third audit report for the 2016 fiscal year ($C_{s,14-16}$) on the gubernatorial electoral outcome in 2017 August (Y_{st}), mainly the margin of victory to examine whether corruption irregularities observed in audit reports before the election affected the incumbent governor's probability of being reelected. We control for governor's and county's characteristics, which are shown in table 5 (X_{st-1}). It is expected that incumbents who got higher vote shares in 2013 are likely to obtain higher vote shares in the 2017 election as well. To control for such differences, we add a past-dependent variable as one of the explanatory variables (Y_{st-1}).

$$Y_{st} = \beta_0 + \beta_1 C_{s,14-16} + \beta_2 X_{st-1} + \beta_3 Y_{st-1} + \varepsilon_{st} \quad (3)$$

Where β s are coefficients to be estimated, and ε is the error term. Since voters may react to the news about the recently committed corruptions before the election more than that reported a few years back or the years that the PAC gave more emphasis and scrutiny, we also estimate the number of irregularities separately in 2014, 2015, and 2016 ($C_{s,14}$, $C_{s,15}$, $C_{s,16}$, respectively). Furthermore,

the type of irregularities can have different impacts on voting behavior. For example, political corruption may give a worse impression to voters than management corruption. The effect of irregularities under category j (C_{sj}) on the electoral outcome is estimated separately.

Since some of the audit irregularities are resolved through the PAC before the election, not the total number of irregularities stated in audit reports, but the governors who did not resolve all the irregularities before the election can affect voting behaviors. Therefore, we estimate the impact of unresolved audit queries before the Senate Public Accounts and Investment Committee on electoral outcomes.

2.5.3 County Assembly electoral outcomes in 2017 and audit irregularities

Lastly, the MCA's role is to protect local funds through oversight at the local assemblies. However, as revealed by audit reports, they are not immune to corruption, and can be collaborators with the governors in rent extraction through 'budgeted corruption' (Ngugi, 2017). The two pathways that they can extract rents is earning sitting allowances that are above the capped amount by the SRC, and the second one is through benchmarking travels. Access to this information on their corruption levels by the electorate may negatively affect their reelection rates.

We take advantage of the large local assembly electoral races and follow Klašnja (2015) and Lee (2008) and use a regression discontinuity design (RDD) to investigate reelection rates around the threshold. This strategy enables us to exploit a natural experiment by comparing the incumbents' electoral outcomes in places (wards) where they barely won or lost at time t . The close election generates who wins at time t . RD estimates have been found to be similar to randomized control trials (Chaplin et al. 2018; Lee 2008). Therefore, a candidate that barely won should have similar traits as one that barely lost in the particular electoral contest. The observed

difference is the Average Treatment Effect (ATE) of the policy in question, and in our case, incumbency disadvantage. Using a sharp RDD, we estimate the following model.

$$Y_{swct+1} = \alpha + pD_{swct} + f(R_{swct}) + \beta X_{ct} + \varepsilon_{swct} \quad (4)$$

Where Y_{swct+1} is the outcome of the probability of winning and vote margin in ward w within county c , at time $t+1$. $f(R_{swct})$ is a flexible function of the running variable (R_{swct}), which is the vote margin at time t . D_{swct} is a dummy that indicates if the candidate was reelected, if $R_{swct} > 0$, then the MCA won at time t and X_{ct} is a vector of covariates. The effect of incumbency on the vote margin in the following election is estimated as p . We use nonparametric estimation with an optimal bandwidth on both sides of the cut off to minimize the mean squared error (MSE) of the RD treatment effect estimator, and a rectangular kernel which gives more weight to observations around the cutoff (Calonico et al. 2014; Cattaneo et al. 2019).

In validating our RDD estimates, we show that there is no manipulation in the running variable. Figures 6 show no bunching on either side of the discontinuity through the histogram. We also do a McCray density test in figure 7, and we do not find any discontinuity or signs of manipulation in the distribution of the forcing variable at the threshold. Thus the incumbent could not manipulate the assignment variable around the threshold.

In investigating the channels behind the incumbency disadvantage, we run the following OLS model.

$$Y_{mwct} = \beta_0 + \beta_1 C_{c,t-1} + \beta_2 W_{mwct-1} + \beta_3 C_{c,t-1} \times W_{mwct-1} + \beta_4 Y_{mwct-1} + \beta_5 X_{ct-1} + \alpha_w + \varepsilon_{mwct} \quad (5)$$

where Y_{mwct} and Y_{mwct-1} are the margin of victory of an MCA in 2017 and 2013, C_{ct-1} is the number of irregularities reported in 2014, 2015, and 2016 in county c , W_{mwct-1} is an incumbent dummy taking one if MCA won election in 2013 and zero otherwise, X_{ct-1} is a set of county's

characteristics in 2013, and α_w is ward fixed effects. As it is expected that incumbents who got higher vote shares in 2013 are likely to obtain higher vote shares in the 2017 ($\beta_4 > 0$), we control for such differences by adding a past-dependent variable as one of the explanatory variables (Y_{mt-1}). Since voters may react to the news about the recently committed corruptions before the election more than that reported a few years back or the years that were given more scrutiny, we also estimate the number of irregularities separately in 2014, 2015, and 2016 ($C_{m,14}$, $C_{m,15}$, $C_{m,16}$, respectively).

Our corruption measure is at the county-assembly level and comes from two types of irregularities: one is allowance irregularities which is charged when MCAs in a particular assembly seek for allowance that surpasses the capped limit of allowance by the Salaries and Remuneration Commission (SRC), and second is irregular travel expenses when they have travel expenses that exceed budgetary allocations. Since the corruption measure is at county-level, not MCA-level, the coefficient of β_1 measures the effect of corruption on all candidates from the county assembly that has corruption before the election. The effect of corruption before the election can have different effect on the incumbents and their challengers. The challengers can use the corruptions committed by the incumbents in a county assembly to attack the incumbents. If the estimated coefficient of the interaction term with W_{mt-1} (β_4) is negative, then the incumbency disadvantage is partly explained by the corruptions committed by the incumbents.

2.6. Estimation Results

2.6.1 Audit information on trust, corruption, and performance approval of county executives

Table 2.6 presents estimation results (equation 1) on citizens' trust, corruption perception, and performance approval of their governor. In columns 1, 3, and 5 we do not include controls.

However, as some of our covariates were not fully balanced, we report results from columns 2, 4, and 6, which is our preferred specification. Regarding the trust level, column 2 shows that before corruption news on a county is released, there is no effect on citizens' trust for their governor. However, immediately after the news release, the trust levels decrease by 27.9 percentage points, and 16.3 percentage points in 1 to 5 days, and 6 to 10 days respectively. Column 4 reports corruption levels. Before the corruption news release, there's a mixed trend of increased and decreased perception, and after the news release. This may imply that that at any given period, different counties may have been in different stages in resolving their audit irregularities or the citizens have different views on their elected leaders' corruption due to their ethnic political affiliation. Column 6 reports the governor's performance approval. Citizens disapprove of their governor's performance, but just in the 1 to 5 day window before the news release. However, the news exacerbates that claim with a 37.7 percentage points disapproval in 1 to 5 days of the news release, 45.6 percentage points in 6 to 10 days, and 71.6 percentage points disapproval in 11 to 15 days, respectively.

[Table 2.6 & Figures 2.2–2.4 about here]

Table 2.7 presents our results of the average effects of the release of corruption news. Again, our preferred specifications are those that include controls, namely columns 2, 4, and 6. Column 2 shows that after the release of corruption news, citizen's trust in their governor reduces by 35.4 percentage points, and performance disapproval decrease by 31.7 percentage points. However, we do not find any effects on corruption perception levels after controlling for individual and county characteristics.

[Table 2.7 about here]

As our corruption news comes from social media sources. We proceed and test for heterogeneous effects on access to such information. In table 2.8 we present results from respondents who access their news from social media, and those who have access and connectivity to devices that can be a source of this information, namely owning a mobile phone, often using their mobile phone, and having an internet enabled phone. In Panel A, we do not find any effect of access to social media news on our outcomes of interest. However, in Panel B, we find that owning a mobile phone explains 17.8 percentage points decrease in trust levels, while often using your mobile phone explains 21.4 percentage points and 40.1 percentage points effect on trust and corruption perception respectively. We proceed and limit our sample to those whose phones have internet access and often use their mobile phones. We find that this sample helps us explain 19.5 percentage points reduction in trust levels, and 38.4 percentage points increase in corruption perception.

[Table 2.8 & 2.8.1 about here]

2.6.2 Incidence of irregularities in audit queries on gubernatorial electoral outcomes

Table 2.9 presents OLS results of audit queries on electoral outcomes and political competition in the counties. Column (1) shows that having unresolved audit queries before the election reduced the incumbent's margin of victory by 26.4 percentage points. Political corruption, which we associate with the diversion of funds reduced the margin of victory by 9.9 percentage points. We do not find any evidence of acts of mismanagement affecting electoral outcomes. Total number of audit queries reduced the margin of victory by 3.9 percentage points. Columns (2)-(4) present results for our political competition measures. We find no evidence of the audit queries on political competition measures, namely voter turnout, political polarization and political

fractionalization respectively. All specifications control for the political, county, and governor characteristics.

[Table 2.9 about here]

Table 2.10 presents estimates of specific audit irregularities incidences from 2014-2016 financial years on electoral outcomes and political competition at the county level. We find that irregular revenue collection reduced the incumbent's margin of victory by 21.7 percentage points. Unsupported expenditure reduced voter turnout by 4.1 percentage points while pending bills increased voter turnout by 2.5 percentage points. Irregular procurement increased political polarization by 3.75 percentage points, with under expenditure marginally reducing political polarization by 16.8 percentage points. Lastly, while unsupported expenditure reduces voter turnout, it does increase political fractionalization. Stalled projects reduces political fractionalization, but irregular procurement does increase political fractionalization. Overall, mismanagement measures seem to reduce political competition, while acts of political corruption increases it.

Table 2.11 presents the effects of high levels of political corruption by specific audit financial year on electoral outcomes and political competition. We find that high levels of political corruption in the two years that the PAC paid more emphasis on (2014 and 2015) had more effect by reducing the margin of victory by 26.9 percentage points in 2014 and 34.2 percentage points in 2015. High levels of political corruption in 2015 also increases voter turnout, but we do not find any effect on the other political competition measures. This may be explained by the fact that gubernatorial elections happen in the same day as presidential, and legislators' elections, which may also effect on the voter turnout and political polarization and fractionalization.

[Table 2.11 about here]

In all the above tables, all specifications control for the political, county, and governor characteristics, as well as the past dependent variable. However, while these findings conform to previous studies, we acknowledge that the results may not be the apparent causal effect, as there may be other confounding factors.

2.6.3 Incidence of irregularities in audit queries on MCA electoral outcomes

Exploiting a natural experiment on MCA's close elections, in table 2.12, we find that the local legislators experienced an incumbency disadvantage of 54.1 percentage points and 28.2 percentage points in the probability of winning and margin of victory in 2017, respectively. The findings are robust to both linear and quadratic polynomials.

[Table 2.12 & Figure 2.5 about here]

Table 2.13 shows the estimation result of equation 4 which is used for finding the causes of this incumbency disadvantage. The coefficient of interaction terms between corruption measure and incumbency dummy is negative and significant in columns 1 and 4. MCAs from county assemblies that took home sitting allowances above the SRC cap in 2014 had 8 percentage points decrease in their margin of victory, and 6.8 percentage points decrease if they had corruption related to sitting allowances above the cap in the three years before the election.

[Table 2.13 about here]

Table 2.14 shows the results of irregular travel expenditure. The coefficient of the interaction term is negative in all columns and significant in column 3. This suggests that a part of the incumbency disadvantage can be explained by corruptions committed by the incumbents just before the election which decreases the margin of victory by 6.7 percentage points. Unlike the capped allowance by the SRC, corruption related to travel is not easy to measure just by the exceeding of budgetary allocations because some county assemblies can allocate to themselves

huge travel budgets (budgeted corruption). A better measure would be the productivity of the travels and how the funds were spent, which should be further explored.

[Table 2.14 about here]

2.7 Discussion

The individual-level estimation results indicate that, firstly, rent-seeking information resulted in negative effects on the citizen's trust of their governor, and their performance approval. Incumbents who did not resolve their audit queries experience incumbency disadvantage through a reduced margin of victory. While the audit report is only released once a year, possible reasons behind this effects is the work of the PAC. This can be driven by the fact that an audit opinion and report by the OAG is released only once a year and thus receives less media coverage over time, or rather, the media coverage is only short-lived. At the same time, the PAC gives a forum to vent on the audit results and push for corrective actions that are recommended in the report. This process takes weeks and months and is nationally broadcasted. Thus, by default, this exercise gains a lot of media attention, mostly because, in most emerging democracies, politicians are not publicly put into account. Hence the role of the PAC in audit implementation is very crucial.

Elections in emerging democracies have become mere rituals of the incumbents, breeding grievances, chaos, and civil conflict (Collier 2011). While this is true in most national electoral races, little is known in local races where the incumbents are in charge of sizeable financial resources and electoral manipulation is not easy or widespread. Kenya's recent devolved governments, where the county executives are in charge of more than 15% of the national revenue give us a good case study. When consistently presented with information on the incumbents' financial irregularities, we find that the citizens do punish the incumbents at the ballot to improve the quality of governance.

2.8 Conclusion

This paper uses objective rent-seeking measures from audit reports, detailed work of the PAC, news release, nationally representative survey, and county electoral outcomes to provide evidence of the impact of releasing corruption information on citizens' trust, performance approval, and corruption perception of their local leaders. Further, we show the effect of audit irregularities on electoral outcomes for gubernatorial and local assembly electoral races, and how audit information and the institutions' involved impact on political accountability.

The results of our individual-level analysis show that corruption news from the OAG and PAC reduces citizen's trust and performance approval of their governor, but no effect on corruption perception levels. Also, voters do punish the incumbents who have audit irregularities related to political corruption, had high levels of irregularities in revenue collection and procurement and high levels of political corruption in 2014 and 2015, those who did not resolve their audit queries through the PAC before the election, and local legislators who absconded their duties. Policy-wise, the growing mistrust in the county executives and legislators is detrimental for the newly established local governments because trust is critical in economic development, political institutions, and managerial leadership (Fafchamps 2006; Nunn and Wantchekon 2011).

Using a unique group of politicians that control a substantial amount of resources and those who play a crucial role in the oversight, our findings show that in an emerging democracy and developing country context, a symbiotic relationship between OAG and PAC as expected in a Westminster system is needed, for one without the other cannot achieve its objectives. In enhancing that relationship, our results have policy implications on the importance of this relationship in keeping the story alive for long, enhance political accountability, and act as a

promising avenue for credible and objective information that can enable voters to select good leaders and improve the quality of government.

CHAPTER THREE

Ethnic Politics and Judicial Decision Making in Kenya

A politics that's based on only tribe and ethnicity is doomed to tear a country apart. It is a failure-a failure of imagination – Barack Obama⁹

3.1 Introduction

African politics are ethnic-based. Political leaders rally around their tribes for political support and favors. Ethnic diversity is associated with the disproportional distribution of public goods (Miguel and Gugerty 2005; Alesina, Baqir, and Easterly 1999). With ethnic favoritism shaping public goods distribution, evidence shows co-ethnics benefit more when their fellow co-ethnics are in government. The ethnic divide has also been part of peaceful political competition through political parties' organization and increased political competition in post-war times (Bellows and Miguel 2009; Blattman 2009; Chandra 2004).

Arguably, politically led biases are easily transferable to the general populace, with ethnic elites using their power to shape their co-ethnics behavior (Blouin and Mukand 2019; Ray and Esteban 2008). Since independence, Kenyan politics has been ethnic based, leading to post-election violence in 1992 and 2008. The current ruling coalition houses two major tribes (Kikuyu and Kalenjin) with long-held historical animosities. While facing trial at the International Criminal Court (ICC) for the 2008 post-election violence, to gain power and interfere with the court's outcomes, the coalition's principals coalesced their co-ethnics to form a coalition in the name of uniting their tribes and bringing an enduring peace. With ethnic identity shaping the outcomes of elections, public appointments, and distribution of public goods, among others, we seek to investigate how ethnic identity as shaped by these political outcomes influence judicial decisions

⁹ 'Remarks by President Barack Obama to the Kenyan people' Nairobi, Kenya 2015.
<https://obamawhitehouse.archives.gov/the-press-office/2015/07/26/remarks-president-obama-kenyan-people>

for co-ethnics as well as for tribes with long-held animosities. Also, if it can be ameliorated through reforms.

Kenya provides a good case because of its polarized and politicized ethnic structure, with major tribes prone to ethnic political capture. Historically, the British geographically demarcated boundaries using ethnic settlements with despotic ethnic chiefs as leaders. Over time, this kind of ethnic leadership persisted in creating such kind of leaders in post-independent Kenya. While Kenya is made up of 42 tribes, only five major tribes play a key role in national leadership. These are the Kikuyu, Kalenjin, Luhya, Luo, and Kamba, and account for 72% of the entire population (KNBS, 2019). However, since independence, only the Kikuyu, Kalenjin, and Luo vigorously fight for political power with their tribes voting en mass for their co-ethnics. , unlike the Kamba and Luhya. These two rarely vote in blocks and may back a candidate from either the other three tribes and have never had their own as a President or Prime Minister.

Studying ethnic bias in a natural setting is an arduous task due to unobserved factors, and experimental studies may have external validity concerns. We seek to overcome this by using Kenya's criminal appeals at the high court level. Kenya's judicial officers are quasi-randomly transferred across their duty stations, and case assignment is based on the current caseload. The quasi-random assignment means that defendants and case unobservable characteristics are comparable across Judges (Abrams, Bertrand, and Mullainathan 2012; Cohen and Yang 2019; Shayo and Zussman 2017). Using Kenya's judicial data on criminal appeals, our research design uses two politically led events, the post-election violence of 2008, and the judicial reforms emanating from the new constitutional order that required vetting of all judges and magistrates through the Vetting of Judges and Magistrates Act, 2011.

Our main empirical results show that, high-status ethnic groups like the Kalenjin exhibit co-ethnic bias and negatively bias other ethnic groups. Judicial reforms do however increase transparency and dampen co-ethnic bias, as well as a negative bias for ethnic groups that fight for political power and have long-held animosities. However, negative bias still persists in ethnic homelands where ethnic animosities are prevalent. Additional individual-level survey support the post-reform high court cases findings of increased transparency in the judicial system.

This study contributes to the empirical literature on ethnic favoritism (Alesina, Baqir, and Easterly 1999; Hjort 2014; Miguel and Gugerty 2005; Harris and Posner 2019). It is particularly related to the persistence of ethnic bias in the judicial system work by Shayo and Zussman (2017) and Shayo and Zussman (2011). Political bias in judicial outcomes (Park 2017; Besley and Payne 2003) and closely to Vanden Eynde, Kuhn, and Moradi (2018) work on the emboldenment within state officers when their co-ethnics hold political power. To the best of our knowledge, we provide the first evidence of the effects of ethnic power politics on the functions of an elite group of public officials, Judges, who are conceivably immune to bias. From our contributions, these findings contribute to the debate of what policies are useful in establishing value-based institutions, and why political groupings should be ethnically inclusive in developing countries to abate ethnic bias.

The rest of the chapter is organized as follows. Section 3.2 gives the Judiciary's institutional and historical background and the power politics of the post-election violence. Section 3.3 reviews studies related to bias. Section 3.4 describes the data and estimation model. Section 3.5 presents the descriptive statistics. Results are presented in section 3.6 and further discussed in section 3.8, with section 3.7 providing robustness checks. We conclude the study in section 3.9.

3.2 Background

3.2.1 Institutional Background

After independence, the president had the full powers to appoint and dismiss the Chief Justice, who also had extensive administrative powers over the courts. This meant that judicial independence was not guaranteed, and due to job insecurity, appointed Judges had to protect their positions by appeasing the appointing authority. After the ruling party's defeat in 2002, the judiciary underwent a 'radical surgery' of purging corrupt Judges through the Integrity and Anti-Corruption Committee (the Ringera Committee). Though the process tried to restore some independence, the process had its strong critics. Five years later, the political class did not have the confidence of taking their presidential election dispute to the courts, as the Chief Justice unceremoniously swore in the incumbent president at night, despite an election dispute, leading to the uneventful post-election violence (PEV).

The underlying factors also exemplify the Kenyan criminal justice system's state, which is described as unfair, with most convictions involving petty crimes, which could have been handled in a different way other than convictions. This state of affairs has been equated to the criminalization of poverty (Aketch and Kameri-Mbote 2012).

The aftermath of the PEV led to a rebirth of a new constitution in August 2010 and subsequent Task Force on Judicial Reforms. The task force report recommended that Judges be appointed on a merit-based system; the Judicial Service Commission be restructured, ensuring everyone has access to justice and dealing with case backlogs. Most of these steps have been undertaken with Judges being vetted by the Judicial Service Commission before the appointment, removing those unfit to hold office, and digitizing most judicial services to increase transparency. As a result, this has increased the public and the political class confidence with the judiciary as

exemplified by the 2013 and 2017 presidential elections petitions at the Supreme Court. The latter making it the first African nation to annul a presidential election.

The Kenyan judiciary is made up of two levels: superior and subordinate courts. The superior courts consist of the Supreme Court, which is the highest court in the land and comprises of the Chief Justice, the Deputy Chief Justice, and five Judges. It is tasked with presidential election petitions, appeals emanating from the Court of Appeal, and constitutional interpretations. The Court of Appeal deals with appeals arising from the High Court decisions or other tribunals or subordinate courts and consists of a maximum of 30 Judges. The High Court's jurisdiction covers all criminal and civil cases, appeals from the lower courts, as well as constitutional interpretations. It comprises a maximum of 150 Judges. The subordinate courts are the Magistrate Courts, which deal with all criminal matters except murder, treason, and international criminal law matters (Constitution, 2010)

[Figure 3.1 about here]

High court judges are appointed from people who have at least ten years of experience either as a superior court judge or a qualified magistrate, or distinguished academic or legal practitioner with at least ten years of experience. They are to retire after they attain the age of 70 years but can choose to retire at any time if they attain the age of 65 years. The Judicial Service Commission vets, publicly interviews all shortlisted candidates, and recommends their appointment through the executive for swearing-in. The JSC is made up of the Chief Justice who is the chair; one supreme court judge that is elected by the judges of the supreme court; one Court of Appeal judge elected by the judges of the Court of Appeal; one High Court judge and one magistrate of either gender, elected by members of the association of judges and magistrates; the Attorney-General; two advocates, a man and a woman, elected by the professional regulation of

advocates statutory body; nominee of the Public Service Commission; and one man and one woman who are not lawyers, appointed by the president with the approval of the National Assembly to act as public representatives (Constitution, 2010).

Transfers within duty station is undertaken by the Chief Justice. The duration of service in one court house location is three years with exception of hardship areas which is two years. A judge may not be retained in the same duty station for no more than five years. Other transfers may be on medical grounds, academic training, security reasons, and transfer of spouses. However, all transfers and number of judges in a duty station are determined by the workload with the Chief Justice holding the right to ensure the public is first served (The Judiciary, Republic of Kenya, 2015).

3.2.2 Post Election Violence

The 2008 elections in Kenya pitted the incumbent Mwai Kibaki and opposition leader Raila Odinga from Central and Nyanza provinces, respectively. Exit polls showed that Odinga, the opposition leader, had won by 50% against Kibaki's 40%. However, with glaring electoral malpractices, the electoral commission went ahead and announced Kibaki as the winner by a 2% margin, followed by a brief swearing-in ceremony at night by the Chief Justice. The declaration of the incumbent as the winner was a trigger of long-held grievances in the country as the candidate's support was ethnically based (Gibson and Long, 2009). With Kibaki and Odinga hailing from the Kikuyu and Luo tribes, respectively, the conflict's epicenter was in Central, Rift Valley, and Nyanza provinces, where most of their supporters lived. It is important to note that in this election, the Kalenjin overwhelmingly supported the Luo.

The events leading to the electoral violence were very conspicuous and seemingly abrupt. However, a careful study of the history surrounding it exposes deep-seated vault points that the

country failed to address in time. Underlying tensions that had been brewing for some time quickly found expression after the sharply disputed election. Some of the issues in question were: land disputes, entrenched corruption, tribalism and inequality, weak institutions, abuse of power by the political elite, and a dysfunctional police force (Anderson and Lochery, 2008; Cheeseman, 2008). The violence would come to an end on 29 February, leaving 1,000 people dead and displacing 500,000 more (Human Rights Watch, 2008).

After the PEV, the country established The Commission of Inquiry on Post Election Violence (Waki Commission) to investigate the perpetrators. On 15 October 2008 the commission presented the report to the executive. However, the list containing the perpetrators names was handed to the key peace mediator, Kofi Annan, who handed it over to the ICC Prosecutor Moreno Ocampo at The Hague. The country was tasked with establishing a local tribunal to deal with the perpetrators, failure to which the ICC would intervene. The political class did not come to a consensus on a local tribunal, and the ICC took the matter and on 31 March 2010, the prosecutor indicted six prominent politicians (Ocampo six) from both sides of the political divide but mostly drawn from two major tribes, the Kikuyu and the Kalenjin.

The infamous Ocampo six, whose tribes had been warring for decades, started countrywide ‘prayer meetings’ to defeat the foreign colonial court. The result was a political coalition, ‘the alliance of the accused’ (Lynch 2014) that won the 2013 presidential elections with Kalenjin and Kikuyu voting for each other. How could people who fought and killed each other’s kin be peaceful and political allies in a short period? According to Lynch (2014), the locals saw it as “our enemies over there, a political marriage of unlikely bedfellows,” stating that, “Between the Kikuyu and Kalenjin, there is no trust. Honestly. Yes, we can meet in a hall, talk, agree and do things together,

but there's no trust. So we've opted to come together, forget the past, and do the necessary so violence doesn't recur" (Lynch 2014:95).

3.3 Literature Review

Bias in the criminal justice system has been evident in different forms, with race being a major part of the developed democracies' literature. For instance, in the US, black defendants are more likely to receive longer incarceration sentences and higher bail amounts relative to white defendants (Arnold, Dobbie and Yang, 2018). This creates societal inequalities that have other adverse effects. For example, post-release, such defendants are more likely to re-offend, commit more serious crimes, have worse post-release economic outcomes, and be dependent on social assistance relative to the other defendants as-if randomly assigned to non-incarceration sentences (Dobbie, Goldin, and Yang, 2018; Stevenson, 2018; Leslie and Pope, 2017; Mueller-Smith, 2015).

Using as-if random assignment of defendants to bail Judges in Miami and Philadelphia, Dobbie, Goldin, and Yang (2018) test Becker's model of racial bias using the defendants' race on Judges bail decisions. They find that bail Judges were imposing higher pretrial release terms for black defendants than white defendants due to their stereotypical exaggerations that black defendants posed more danger if granted bail. In contrast, their study finds that white defendants relative to black defendants were 23 percentage points more likely to be rearrested after bail, thus setting a higher pre-trial qualification for one race. Abrams, Bertrand, and Mullainathan (2012) use the quasi-random assignment of defendants to Judges in Cook County, Illinois, to investigate biases in the legal system. They find an 18 percentage point increase in incarceration rates for black defendants compared to white defendants, which would not be present if there was no bias.

Politics can also breed bias in the justice system. In a jurisdiction where Judges are elected, Judges may behave in a certain way in fear of losing their seats. Park (2017) uses Kansas felony

convictions and finds that during six months after an election, trial Judges that are retained after a hotly contested partisan election have more incarceration rates for blacks than white felons, compared to Judges that are retained in non-partisan contested elections. Elsewhere, Besley and Payne (2003) found that states that retained their appellant Judges through reappointment had lower anti-discrimination claims filed as compared to those retained through reelection as they are less responsive to voters' preferences. As judicial decisions are meant to be grounded on the law, the policy congruence between Judge and voter preferences is not desirable (Kessler and Piehl, 1998) as Judges tend to factor in the voter preferences. This may lead to low-quality Judges (Lim, 2013).

The other bias in the criminal justice system is ethnic-based. Shayo and Zussman (2011) study in-group bias in Israeli judicial outcomes. They find that if a claim by a plaintiff was assigned to a Judge of the same ethnicity, it was around 19 percentage points more likely to be accepted. In estimating the long term effects of ethnic conflict and bias using Israeli Arab and Jewish Judges, Shayo and Zussman (2017) firstly define ethnic bias as the preferential treatment of one's co-ethnic. Using randomly assigned cases to Judges, they investigate the extent of bias in relation to court and a Judge exposure to violence. They find that even after violence recedes, bias does not reduce in the post-conflict period, claims were more likely to be accepted if the claim was assigned to a Judge of the same ethnicity, with no signs of bias reduction in the post-conflict period. The persistence channel is through the local court's exposure level to violence as opposed to the individual Judge level. These results paint a stark picture, especially to a group of educated elite who are meant to be independent and exercise equality.

Ethnic divisions and favoritism have been the norm in distributing of public goods in post-independent Africa (Burgess et al., 2015; Miguel and Gugerty 2005; Posner and Harris 2018).

Fafchamps (2000) uses Kenya and Zimbabwe manufacturing firms to investigate the role of ethnicity in credit provision. He finds that through established networks, co-ethnics might be more favored regarding credit or trading relations. Aker, Klein, O'Connell, and Yang (2014) investigate ethnicity's role in the cross-border trade of millet and cowpeas between Nigeria and Niger, and also within Niger. They find a significant increase in prices if the trading occurs between two distinct ethnic groups as opposed to co-ethnics in cross-border trade. Within Niger, there are high transaction costs when the trade takes place between distinct ethnicities as compared to common ethnicity.

Ethnic divisions limit economic productivity. Hjort (2014) seeks to identify the adverse effects associated with ethnic diversity on productivity. Exploiting the 2008 Kenyan political violence as a natural experiment, he examines how productivity in Kenyan flower firms responded to workers in diverse ethnic teams. In the firm, there is an upstream worker who supplies and distributes flowers to workers downstream to gather them in bunches. The workers are randomly assigned to three kinds of teams: the first team is homogenous, having two co-ethnic processors; the second team is horizontally mixed, having one co-ethnic; and the third team is vertically mixed, having no co-ethnics. Hjort (2014) finds that in the diverse teams, discriminatory suppliers lowered total output by misallocating flowers, vertically by undersupplying workers downstream who belonged to the different ethnic group, and horizontally by switching flowers from non-co-ethnic to downstream workers from the same co-ethnic. He advances a taste-based discrimination model for co-ethnics and postulates that there may be a predisposition for ethnic dominance or inequality where the upstream workers are willing to accept lower pay to lower that of non-co-ethnic co-workers. He contends that interethnic rivalry reduces the private sector's efficiency, with the costs varying with the political environment.

Vanden Eynde, Kuhn, and Moradi (2018) work provide evidence of how political shocks affect public servant's daily performance at the workplace. Using Kenya's police officers under different political systems in the country, they find a lack of discipline among police officers whose ethnicity was associated with the ruling party. They posit that the results result of behavioral change among the policemen as co-ethnic police officers experience an emboldenment effect.

Kramon and Posner (2013) caution on generalizing outcomes of distributive politics on one or few public goods, as it can be misleading. Using ethnic favoritism in Africa, they show that the outcome under study determines who benefits. Beiser-McGrath, Müller-Crepon, and Pengl (2020) study infant mortality in Africa and show that, in regions where co-ethnics make up the majority share, everyone benefits regardless of their ethnicity. Discriminatory strategies mostly happens outside these regions. With varying outcomes, we also expect ethnic identity to have a unique effect on criminal justice in these regions

Kenya, like most sub-Saharan African countries, is multiethnic. With voting and subsequent violence happening along ethnic lines, it is essential to analyze the costs or opportunities associated with ethnic diversity. From the preceding analysis, it is evident that the use of public officials to study bias, especially judicial officers, is mainly concentrated on advanced democracies. Also, while Kenya is ethnically diverse, the study of ethnic favoritism in Kenya has failed to recognize the role of the dominant tribes and how the political environment breeds bias in peace-time instead of conflict time, as well as justice as a public good in ethnic settings. Using the PEV and subsequent judicial reforms, we expect behavioral changes by public officials to be in line with these political shocks or events, and in our case, the judges. Thus we seek to add to this line of literature and give it a new context.

3.4 Methodology

3.4.1 Data

Our main source of data is the judicial decisions from the Kenya Law Reports¹⁰ high court case law. We concentrate on criminal appeals at the High Court level from 2003 when the dictatorial ruling independence party rule came to an end to 2019 from all high court duty stations. During this period, there are 13,757 cases sentenced by 140 judges from 40 courts. For each law report, we can extract information on the defendant's name, case class, date the ruling was delivered, court location, offense committed, name of the Judge, and case outcome. Using the defendants' names, we code their gender as well as their ethnicity. From the names, it is easier for a Kenyan national to tell a person's gender and ethnic origin¹¹. Each case is coded independently by two different Kenyan coders with the authors being the third coder who verified the coding and made any adjustment in cases where there was any incompatibility which, as expected, were minimal and entailed the smaller tribes which we eventually code as other ethnic groups. We apply the same technique to the Judges. In investigating co-ethnic and ethnic animosity bias, we code the tribes as Kalenjin, Kikuyu, Luo, and others which constitute the other ethnic groups in the country (Kamba, Luhya, Kisii, and ethnic minority groups). In cases with more than one defendant from a different tribe, we code them as mixed cases, while in cases where more than one Judge rules a case, we code it as a mixed bench. As the Embu and Meru are part of the GEMA (Gikuyu Embu Meru) community voting bloc and do share names, we classify them as Kikuyu as done in previous studies (Vanden Eynde, Kuhn and Moradi 2018; Hjort 2014).

¹⁰ www.kenyalaw.org

¹¹ For inter-ethnic marriage cases where the surname may be different from the given name for those who adopt their spouse surname, the given name is given preference. For men who adopt an Islamic name, the ethnic surname is given preference. See Appendix page 44.

The case outcomes, which are our main dependent variables, take the form of either the defendant's appeal is allowed meaning that at least one part of the appeal was allowed; otherwise, it is when the appeal is dismissed in its entirety. Lastly, the verdict on the allowed appeals can either be acquittal where the Judge orders the release of the defendant, or guilty.

There are 234 mixed cases with more than one defendant. In this study, we do not use these cases as either the ethnicity may be mixed, or the case outcome may vary by the defendant. Also, there are 1,519 cases assigned to more than one judge. We do not use such cases since they may not be randomly assigned due to the case or offense magnitude, and the judges' ethnicity may be mixed.

For individual level-analysis, we use the Afrobarometer round 4 and 6 data which were collected before and after the reform, respectively. This survey contains respondents' perception of the legal system. If judges sentenced based on defendants' ethnicity before the reform, the level of trust on court and judges should be low before the reform. If the reform actually reduces the judge's ethnic bias, citizen's perception should be improved as well after the reform. The surveys are nationally representative, with the interviewees being of voting age. The fifth-round was conducted between September and October 2008 (Afrobarometer 4, 2008) while the sixth-round was conducted between November and December 2014 (Afrobarometer 6, 2014). There are three questions asking about perceptions of the legal system. In particular, they are about fair treatment under the law, judges' corruption, and trust on courts of law.¹²

¹² For unfairly treated under the law, survey question is "In your opinion, how often, in this country: are people treated unequally under the law?" and the responses are in a four point scale: Always; Often; Rarely; and Never. We group the first two (Always and Often) and the last two (Rarely and Never) to create a binary variable. For corruption perception of judges, the question is "How many of the following people do you think are involved in corruption: Judges and Magistrates" and the survey responses are in a four point scale: None; Some of them; Most of them; and All of them. We group the first two (None and Some of them) and the last two (Most of them and All of them) response categories and create a binary variable. Lastly, for the trust perception of the courts, the question is "How much do you trust each of the following: Courts of law" and the responses are measured

3.4.2. Estimation Model

To examine if judges sentence differently to defendants based on their ethnicities and if the legislative reform can reduce such bias on court outcomes (probability of appeal allowed and defendant acquitted), we estimate the following model by judge fixed effect model:

$$Y_{ijt_c} = \sum_{ij} \gamma_{ij}^A (D_i \times E_j \times Post_t) + \sum_{ij} \gamma_{ij}^B (D_i \times E_j) + \sum_i \gamma_i^0 (D_i) + \sum_j \gamma_j^0 (E_j) + \delta Post_t + \beta X_i + \lambda_t + \varphi_j + \omega_c + \epsilon_{ijt_c} \quad (1)$$

where Y_{ijt_c} is the outcome of criminal cases (appeal allowed and defendant acquitted) for defendant i sentenced by judge j in year and month t at court house location c . E_j is an indicator variable taking unity if a Judge's ethnicity is j (j =Kikuyu, Kalenjin, Luo) and D_i is an indicator variable taking unity if Defendant's ethnicity is i (i =Kikuyu, Kalenjin, Luo). X_i is a set of case characteristics such as type of offence, λ_t , φ_j , and ω_c are year of sentence, judge, and court house fixed effects. ϵ_{ijt_c} is an error term. γ and β are coefficients to be estimated.

After controlling for Judge fixed effects as well as court house location and other criminal case type, combinations between Judge and defendant ethnicities should not have effect on case outcomes if there is no ethnic bias. Our coefficient of interest, γ , estimates if different combination of judge j and defendant i 's ethnicities affects case outcomes. Specifically, judge ethnic group j 's ethnic bias is measured by the difference from Kikuyu co-ethnics and non-Kikuyu judge's bias before the reform is estimated by $\gamma_j^0 + \gamma_i^0 + \gamma_{ij}^B$ while non-Kikuyu judge's bias after the reform is $\delta + \gamma_j^0 + \gamma_i^0 + \gamma_{ij}^B + \gamma_{ij}^A$. In post-reform period when there is increased transparency, we expect reduced negative bias across judges in ethnicities that have long held historical animosities.

in a four-point scale: Not at all; A little; somewhat; and A lot. We group the first two (Not at all and A little) and the last two (Somewhat and A lot) response categories and create a binary variable.

As explained in the previous section, the reform make cases quasi-random assignment since Kenyan judicial officers are quasi-randomly transferred across their duty stations, and case assignment is based on the current caseload where the court's deputy registrar assigns any incoming case according to the judge calendar and existing caseload and not on the case characteristics. This means that defendants and case unobservable characteristics are comparable across Judges. Therefore, given the defendants and the judge ethnicity, court house location, and case ruling year, the cases assigned to a Judge of the same ethnic group are not systematically different from those assigned to a Judge of another ethnic group. In the pre-reform period, however, this may not be the case. To make sure that the ethnic bias estimated by our estimation model is not due to other confounded factors, we test the criminal appeal cases random assignment to judges of the different ethnicities in both pre and post reform periods. Table 3.1 reports the estimation results if specific cases are more likely to be assigned to judges with specific ethnic group. We run an indicator variable of judge's ethnicity on all the defendant criminal offense characteristics, ethnic identity, and gender as well as fully interacted court house and year fixed effects. Each column is obtained from separate regression model as following Bhuller, Dahl, Løken, and Mogstad (2020). We find evidence of random case assignment both in pre- and post-reform period as the covariates are not jointly significant with the p -values of the joint F test ranging from 0.148 to 0.543. This can assure that the criminal appeal cases are randomly assigned to the judges conditional on fully interacted court house and year fixed effects. Hence, the ethnic disparities in the appeal rulings are not driven by case selection but rather on the judge's ethnic political affiliation.

[Table 3.1 about here]

To test (1) if the citizens' perception towards the judicial system are different across ethnic groups in the pre-reform period when there was ethnic bias among judges to defendants and (2) if such perception has changed in post-reform period, we use citizen's perception data which were collected in 2008 (pre-reform period) and 2014 (post-reform period). Just before the judicious reform, Kenya experienced post-election violence, which may make Kalenjin ethnic group mistrusting to the judicious system. The effect of the reform on citizen's trust to judges and court system is expected to be larger among Kalenjin than among Kikuyu and Luo. Therefore, we take difference-in-difference approach and estimate the following model:

$$Y_{ist} = \mu + \sum_e \gamma_e E_{ei} + \theta Post_t + \sum_e \delta_e (E_{ei} \times Post_t) + \varphi Z_{ist} + \beta X_{st} + \alpha_s + \nu_r + \phi_t + \lambda_m + \varepsilon_{ist} \quad (2)$$

where Y_{ist} is individual i 's judicial system perception in district s where he or she lives at time t . E_{ei} is a dummy variables indicating individual's ethnic identity e . $Post_t$ is a dummy variable taking one if data is from 2014 survey and zero otherwise. Z_{ist} is a set of individual-level characteristics such as age, gender, education (secondary school graduate), employed, and urban resident. X_{st} are a set of time-variant district-level characteristics such as ethnic majority, while α_s , ν_r , ϕ_t and λ_m being district, region, year and month fixed effects respectively. μ , θ , γ , β , φ , and δ are coefficients to be estimated. ε_{ist} is the error term. δ is our coefficient of interest that shows the effect of judicial reforms on individual's perception on the judicial system and their ethnic identity.

In testing for parallel trend assumption, we conduct a placebo test by using pre-reform data from 2003, 2005, and 2008. Here $Post_t$ is a dummy variable taking one if data is from 2008 survey and zero otherwise. This is a treatment time before the actual treatment occurs. For the assumption to hold, we do not expect find any significant treatment effect.

3.5 Results

3.5.1 Descriptive Statistics

Table 3.2 and 3.2.1 presents the criminal case assignment to judges by case characteristics. There is no ethnic group difference in both pre-and post-reform period for all cases except forceful detainer assigned to other ethnic judges, murder assigned to Luo, other ethnic and Kikuyu judge, and sexual assigned to Kikuyu judge. Overtime, except bail, disorderly conduct, and forceful detainer, all other cases vary over time across judge ethnic identity. Overtime, Kikuyu defendants are less likely to be assigned to Kalenjin judges. Overtime, Kalenjin defendants are less likely to be assigned to co-ethnic judges and more likely assigned to Luo judge. Overtime Luo ethnic defendants are less likely to be assigned to Kikuyu judges, more likely to be assigned to Kalenjin, co-ethnic judges, and other ethnic judges. Other ethnic defendants are overtime more likely to be assigned to Kalenjin judge and other ethnic judges and less likely on Luo judge. The bottom of the table presents the criminal case outcomes. In pre-reform period, defendants assigned to Luo judges are less likely that their appeal are allowed and the defendants are acquitted while this difference disappeared in the post-reform period.

[Table 3.2 & Table 3.2.1 about here]

Table 3.3 presents descriptive statistics for individual level perceptions on the judicial system in pre- and post-reform period. Panel A-C presents our outcomes of interest for each ethnicity. Panel A presents outcomes for the Kalenjin. In post-reform period Kalenjin trust the courts more. In panel B, the Kikuyu perceive the judges to be less corrupt and trust the courts more in post-reform. Panel C reports the Luo ethnicity who do not have improved perception on courts and judges in the post-reform period. Other ethnicity also have improved trust on the courts in the post-reform period.

[Table 3.3 about here]

3.6 Estimation Results

3.6.1 Effect of ethnic identity in post-reform judicial decisions

Table 3.4 presents our estimation results of allowed appeals and defendant acquitted under increased judicial transparency on co-ethnics for ruling on criminal appeals (equation 1). Estimated ethnic bias is presented in Table 3.5 and shows that in the pre-reform period, in acquitted defendants, Kalenjin judges favor their co-ethnics defendants and disfavored other ethnic defendants. However, we observe no negative bias by Kalenjin judge in post-reform period, signaling increased transparency.

[Table 3.4 & Table 3.5 about here]

Table 3.6 presents ethnic bias in courts located in Kikuyu homelands¹³ on allowed appeals and defendant acquitted under increased judicial transparency. Estimated bias is presented in Table 3.7 which shows that Kalenjin judge favor their co-ethnics and disfavor Kikuyu and Luo defendants in the pre-reform period. However, in the post-reform period, there is no evidence of co-ethnic bias, and negative bias against Luo defendants. However, we observe a persistent negative bias towards Kikuyu defendants by Kalenjin judge.

[Table 3.6 & Table 3.7 about here]

There are some judges with only one case sentence observation. For controlling for judge fixed effects, we restrict the sample to judges with more than one case observations. There are also judges with more than 566 cases. The average number of cases per judges in the dataset is 86%. Since using such judges may bias the results, we limit the sample to judges that ruled more than

¹³Bias in Kalenjin ethnic homelands is not estimated due to limited judge-defendant combinations for courts in these locations.

25% of cases and those who ruled less than 75% of the cases for a balanced panel. The results are shown in Appendix Table 3A3 and still remain robust.

[Table 3A3 about here]

3.6.2 Effect of reforms on citizens perception of the justice system and ethnic identity

Table 3.8 reports results of citizen's perception of the judicial system and their ethnic identity. Column 1 shows that in the pre-reform period, Kalenjin citizen's trust level on the courts is significantly lower than Kikuyu citizens and the reforms improved Kalenjin ethnic respondents' trust in the courts. The positive coefficient of Post means that the reform enhanced the trust in the courts among Kikuyu and Kalenjin. Column 2 shows that Luo citizen felt unfairly treated by the law before the reform though it is marginally significant. We find no evidence that both before and after the reform, there are differences in perception on judges being corrupt across all ethnic groups in column 3. Table 3A5 uses different scale in our outcome variables and among the Kalenjin, the results point towards reduced perceptions of being treated unequally before the law and judges being less corrupt after the reform.

[Table 3.8 & Table 3A5 about here]

3.7 Robustness checks

To account for any other ethnic political event that happened in the period of our study, we investigate the post-election violence that happened in 2008. We, therefore, limit our data from January 2003 to February 2012, before judicial reforms under the new constitutional dispensation officially began. In this period we expect co-ethnic bias among Kalenjin judges and ethnic animosity to follow political alignments. Due to the conflict and a corrupt judicial system, a priori bias effect is not definite. However, for ethnic political context, in Pre-PEV, the Kikuyu form a new government that ends Kalenjin 24 year rule. The Luo are part of the government but are kicked

out in 2005. They team up with the Kalenjin in post-PEV to defeat the Kikuyu. Post-PEV the Kikuyu fight against the Kalenjin and the Luo leading to heightened ethnic tensions. Post-PEV sees the formation of a government of national unity with the Kikuyu having the presidency and the Luo having the premiership.

Table 3A1 reports judicial decision-making outcomes among the three competing ethnicities under the PEV for allowed appeals and acquitted defendants. Estimated bias is presented in Table 3A2 showing persistent co-ethnic bias among the Kalenjin in the two periods. Kalenjin new found political allies – the Luo – defendants received favored appeal outcomes in the post-PEV period from Kalenjin judge with no evidence of continued Luo judge pre-PEV negative bias towards Kalenjin defendants in the post-PEV.

[Table 3A1& Table 3A2 about here]

For individual perception analysis, we create a placebo DID model where we choose a treatment time before the actual reform time by using the pre-reform data. As the judicial reform happened much later, we do not expect any significant treatment effect. Table A4 does not show any treatment effect from the placebo DID on our predictors.

[Table 3A4 about here]

3.8 Discussion

The estimation results from the criminal appeals indicate that high-status ethnic groups have a knack of favoring their co-ethnics. The Kalenjin ethnic group is a good example of a high-status ethnic group as they enjoy favored appeal outcomes and do bias some ethnic groups. However, a genesis of their emboldened effect can be traced to their 24 year rule where the president had full powers to appoint judges and the chief justice, with such appointees having affinity to the president (Mutua, 2001). The Kalenjin would eventually constitute the highest

number of public servants in the law enforcement institutions¹⁴. Vanden Eynde, Kuhn, and Moradi (2018) find a lack of discipline through behavioral change among Kenyan police officers whose ethnicity is associated with the ruling party. Under the period of their study these officers are mainly from the Kalenjin community during the KANU rule. While our study is limited to the high court judges who have to deal with lower courts decisions, our findings show that ethnic patronage in institutions can persist over time even after an ethnic group leaves political power, with favoritism towards their co-ethnics. The impact of the ethnic composition in Kenya's civil service is evident up today.

Under reforms, we do not see the negative bias by Kalenjin judge in post-reform period, signaling increased transparency. Such transparency is also collaborated by individual level analysis where respondents have more trust in the courts. Ethnic homelands are more ethnically polarized. Shayo and Zussman (2011) show a strong association of increased co-ethnic bias among Israeli judges with ethnic violence intensity if the court is located in this vicinity. In Kikuyu ethnic homelands, among Kalenjin judge in post-reform period, there is no evidence of co-ethnic bias or negative bias against Luo defendants. However, we observe a persistent negative bias towards Kikuyu defendants whom they have long held historical animosities.

Findings from the post-election violence period confirm our results of ethnic disparities in criminal appeals on political shocks and Kalenjin high status. We believe that the resulting effects are a result an overtime emboldenment effect that has persisted since their 24 year rule and their role in Kenyan power politics. While judges are meant to be grounded in the law, we find evidence

¹⁴ The Kenyan police and the Criminal Investigation Department has widely been associated with the Kalenjin ethnic group. From 1984-99 the head of the Criminal Investigation Directorate was Noah arap Too, and from 1999-2003 was Francis arap Sang, all from the Kalenjin ethnic group. Public audit by the National Cohesion and Integration Commission (NCIC) in 2012 showed that the Kalenjin representation in the civil service is disproportionate to their population. Of the big five tribes, Kalenjin constitute 40% of civil service employees (NCIC, 2012)

that they may be factoring in ethnic preferences in their judicial decisions, however, while these are high court cases that are arising from lower court's ruling, we believe that this might also be contributed by the ethnic composition of legal institutions and law enforcement institutions like the Directorate of Criminal Investigations or the office of the prosecutor, that are in charge of criminal prosecutions, which is not desirable.

3.9 Conclusion

This study used original criminal appeals data from the Kenya High Court to provide evidence of ethnic bias in Kenya's criminal justice system. From the criminal appeal judgements, we code the defendants and the Judge names as either Kalenjin, Kikuyu, Luo, and Other ethnicities. Using two measures of appeal outcomes, namely, allowing an appeal and acquittal verdict, as well as two political shocks (the PEV, and judicial reforms under the new constitution), we provide evidence that there is ethnic bias in Kenya's criminal justice system. The bias emanates from co-ethnic bias and negative bias to other ethnic groups from high status ethnic groups, as exhibited by the Kalenjin, who disproportionately constitute a majority of public sector appointments. Constitutional reforms do however increase transparency and decrease negative bias on antagonizing ethnic groups. However, negative bias still persists in ethnic homelands. Additional individual level survey support the post-reform court cases findings on increased transparency in the judicial system.

In advanced democracies, politics have been found to breed bias in the judicial system in favor of voter preferences (Park 2017; Besley and Payne 2003). In the developing countries, the literature has focused on political class favoritism in the distribution of public goods (Beiser-McGrath et al., 2020; Burgess et al., 2015; Miguel and Gugerty 2005; Posner and Harris 2018). Cognizant of the fact that ethnic bias in emerging democracies is politically driven through

disproportional state appointments centered on certain major tribes that contest for political power, and depends on the public good in question, we add to this gap of literature of the judicial system in an African context by using Kenya's criminal appeals. We show that ethnic driven political events and appointments have a wide effect in transferring bias in the society in favor of those whose ethnicity 'belong' to the ruling ethnic group or whose ethnic group is disproportionately represented in state institutions, and punishing those who do not 'belong' or have long-held historical animosities. This creates an emboldenment effect among these ethnicities, even when they are not in political power, such ethnic composition in the civil service can take longer to change. However, increased transparency through judicial reforms can dampen this negative bias, except in ethnic homelands.

With emerging democracies experiencing weak political institutions, this study contributes to the debate of what policies are effective in establishing value-based political and judicial institutions with high quality judges (Lim, 2003), and how and why political shocks influence high level public officials in conducting their daily jobs. In the Kenyan context, it adds to the current politically driven Building Bridges Initiative (BBI) constitutional amendments debate that seeks to have a more inclusive political system where all the tribes seek to be represented. The study's limitations can be supplemented by future work that traces the ethnic identity of each appeals prosecutor and magistrate from the lower courts.

CHAPTER FOUR

Conclusions and Policy Implications

4.1 Introduction

Lack of accountability and efficient service delivery in public institutions continue to be a major development challenge in most low-income countries. Recent studies have shown that information on corruption increases citizens response in holding elected officials accountable. Also, political shocks affect the behavior of public officials in service delivery through favoritism or ethnic emboldenment. However, despite the importance of this area of study, objective corruption information and behavior of public officials is difficult to measure. Kenya has recently experienced governance reorganization through its new constitution in 2010 by the creation of new institutions and attempt to reform old ones. Most notable is the establishment of 47 devolved governments in 2013 and wholesale judicial reforms. The new system of governance is still not corrupt-free, and the reforms cannot be said to have eliminated all bias in the judiciary. Despite this unique institutional setting and an ethnically diverse country, few studies have attempted to examine these issues (Eynde, Kuhn and Moradi 2018)

This dissertation seeks to fill in this gap and examines how audit information from public institutions affects political accountability through the use of administrative data from public institutions, electoral results, and individual-level survey. Further, it uses criminal appeals from Kenya's high court to examine the behavior of individuals who provide an important public service (justice) with additional evidence from individual-level survey. Our main identification strategy for political accountability is three-pronged. First, we exploit the plausible exogenous timing of the release of audit information in relation to the timing of the seventh round of the Afro-barometer individual-level survey, which tested respondents' perceptions of trust, corruption, and

performance of their county executives'. We compare individuals interviewed in the days before the release of the corruption news with individuals interviewed immediately after the corruption news release. Secondly, we take advantage of the first gubernatorial elections, which happened before the county governments were officially established, to test on county executives' electoral accountability. Lastly, we exploit Local Assemblies close elections that assign incumbency as if random to ascertain if the electorate also punishes corruption by local legislators who are to oversight county executives. Further, our identification strategy for our last analysis exploits the quasi-random assignment of Kenya's judicial officers who are quasi-randomly transferred across their duty stations, and case assignment is based on the current caseload, especially in post-reform period. This means that defendants and case unobservable characteristics are comparable across Judges. The preceding two sections summarize the main findings and tease out the policy implications.

4.2 Summary of Main Findings

In Chapter two, we examined the effect of corruption information on political accountability. We find that individuals interviewed immediately after the release of corruption news are less likely to trust their Governors, perceive them to be corrupt, and disapprove of their performance. Also, incumbent governors in counties that did not resolve audit queries through the PAC before the election have a decreased reelection rate. This effect is contributed by political corruption, irregular revenue collection, irregular procurement, and high levels of political corruption. For incumbent local legislators who forfeited their oversight role, their margin of victory in the next election also decreases. The loss can be attributed to misappropriation of county funds through irregular travel expenditure and irregular sitting allowances. These findings are consistent with previous work on audits and political accountability.

Chapter three investigates the effect of two political events, the post-election violence and judicial reforms through a new constitutional dispensation, on the day-to-day performance of high court Judges on criminal appeals. We find ethnic disparities and an emboldenment effect on judicial officers from high status ethnic groups who are disproportionately represented in the civil service through co-ethnic favoritism and negative bias on other ethnic groups with long-held historical animosity. Increased transparency through judicial reforms dampens this effect, except for courts located in ethnic homelands. Individual level perceptions support the post-reform high court cases findings of increased transparency in the judicial system.

In sum, the dissertations findings suggest that an informed electorate will seek to elect good leaders and punish those who do not deliver, thereby improving the quality of government. Also, disproportionate ethnic representation in the civil service do affect the behavior of public officers in ways that adversely affects service delivery to the public. However, reforms geared towards increased transparency can improve outcomes. These are important findings for personnel economics in developing economies and particularly in the ethnic diverse African and Kenyan public service.

4.3 Policy Recommendations

From our main findings, individuals interviewed immediately after the release of corruption news (from OAG and PAC) are less likely to trust their Governors, perceive them to be corrupt, and disapprove of their performance compared to those interviewed before the news release. Access to this information through ownership and use of internet enabled mobile phones drives this effect. This finding coupled with the finding that politicians who did not resolve audit queries through the PAC experience less reelection rates shows the importance the importance of objective rent-seeking information from supreme audit institutions and the PAC in maximizing

audit impact and putting public officials into account. Policy wise, symbiotic relationship between OAG and PAC as expected in a Westminster system is needed to be strengthened and enhanced, for one without the other cannot achieve its objectives of putting the executive into account. Further, the role of local legislators as an oversight institution needs to be looked into, their grassroots support and networks can be used in public participation fora's that can alter resource mismanagement (stalled projects, unbudgeted expenditure, and under expenditure) by the executive. Also, the Salaries and Remuneration Commission (SRC) that is tasked in capping their travel and sitting allowances should constantly reevaluate their allocated budgets.

Evidence from ethnic political shocks on public officials' (judges) behavior in service delivery (justice) show high status ethnic group's co-ethnic bias and negative bias on other ethnic groups with long-held historical animosities. This adds to the literatures strand that ethnic politics does not only affect public goods provision, but also public officials' behavior in justice delivery. Policy wise, we concur with Eynde, Kuhn and Moradi (2018) that political environment should be part of personnel economics determinants of public service performance along with selection, incentives, and monitoring (Finan, Olken, and Pande 2017). Lastly, more inclusive institutions that are not ethnic based, either through quotas, may reduce the emboldenment effect that co-ethnics feel when they get into power or are disproportionately represented. Lastly, a parliamentary governance system that is fully representative as opposed to a pure presidential system where the winner takes it all – a norm in many African countries – may ease ethnic tensions.

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Table 2.1: Descriptive statistics – citizen perception of Governor

	All	Pre-news	Post-news	t-stats
	(1)	(2)	(3)	(4)
Panel A: Outcomes				
Trust	0.477 (0.015)	0.496 (0.500)	0.436 (0.497)	1.919
Corruption	0.476 (0.500)	0.478 (0.500)	0.473 (0.500)	0.145
Performance	0.581 (0.494)	0.614 (0.487)	0.507 (0.501)	3.469
Panel B: Covariates				
Age	36.088 (13.778)	37.319 (14.116)	35.527 (13.593)	-2.068
Male	0.500 (0.500)	0.501 (0.500)	0.496 (0.501)	0.169
Education (completed high school)	0.412 (0.492)	0.412 (0.492)	0.411 (0.493)	0.015
Registered voter	0.725 (0.446)	0.720 (0.449)	0.738 (0.440)	-0.669
Major ethnicity	0.511 (0.500)	0.499 (0.501)	0.516 (0.500)	0.555
Employed (has a job)	0.473 (0.499)	0.457 (0.498)	0.510 (0.501)	-1.685
Urban	0.307 (0.461)	0.269 (0.444)	0.390 (0.488)	-4.173
Public goods (water connectivity)	0.445 (0.497)	0.421 (0.494)	0.499 (0.501)	-2.498
Education interviewer (university graduate)	0.487 (0.500)	0.486 (0.500)	0.488 (0.501)	-0.044
Interviewer Same language as respondent	0.101 (0.301)	0.089 (0.285)	0.125 (0.332)	-1.902
Respondent influenced by others	0.042 (0.200)	0.040 (0.195)	0.046 (0.210)	-0.521
Obs	1,173	806	367	

Notes: Standard deviations in parenthesis and T-statistics for testing means. Post-information takes value of 1 if the respondent was interviewed within 15 days after release of corruption related news for the county, 0 otherwise. Includes counties which had their audit queries resolved by the PAC before round seven Afrobarometer survey, and those counties which resolved the audit queries after the round seven Afrobarometer survey. Counties who never resolved audit queries are excluded.

Table 2.2: Descriptive statistics – audit irregularities 2014-16

Incidence of Irregularity	All (1)	Resolved audit queries before the election (2)	Resolved audit queries after the election (3)	t-stats (4)
Total number of irregularity cases (2014-16)	18.974 (0.470)	17.813 (3.038)	19.783 (2.628)	-2.160
Political corruption	6.103 (1.314)	5.625 (1.360)	6.435 (1.199)	-1.963
Mismanagement acts	3.513 (1.393)	3.063 (1.436)	3.826 (1.302)	-1.727
Irregular revenue	2.155 (0.709)	2.063 (0.574)	2.217 (0.795)	-0.667
Irregular procurement	2.282 (0.724)	2.000 (0.816)	2.478 (0.593)	-2.122
Unsupported expenditure	2.590 (0.595)	2.500 (0.632)	2.652 (0.573)	-0.782
Unaccountable expenditure	1.615 (0.747)	1.375 (0.806)	1.783 (0.671)	-1.718
Irregular payments	2.333 (0.701)	2.188 (0.750)	2.435 (0.662)	-1.086
Unrefunded imprests	1.769 (1.012)	2.125 (1.025)	1.522 (0.947)	1.892
Under expenditure	1.513 (0.644)	1.500 (0.516)	1.522 (0.730)	-0.102
Pending bills	2.179 (0.756)	1.813 (0.750)	2.435 (0.662)	-2.734
Unbudgeted expenditure	1.000 (0.761)	0.625 (0.619)	1.261 (0.752)	-2.786
Stalled and uncompleted projects	1.000 (0.142)	0.938 (0.929)	1.043 (0.878)	-0.362
Obs. (counties)	39	16	23	

Notes: standard deviations in parenthesis and T-statistics for testing means between counties which had their audit queries resolved by the PAC before the 2017 gubernatorial elections, and those counties which resolved the audit queries after the 2017 gubernatorial elections.

Table 2.3: County’s political characteristics in 2013 and 2017 by executives who resolved their audit queries before and after the 2017 election

	Resolved audit queries before the election	Resolved audit queries after the election	t-stats	Resolved audit queries before the election	Resolved audit queries after the election	t-stats
	(1)	(2)	(3)	(1)	(2)	(3)
	2013			2017		
<u>Political characteristics</u>						
Margin of victory	0.261 (0.176)	0.273 (0.283)	0.140	0.182 (0.322)	-0.032 (0.294)	2.154
Voter turnout	0.832 (0.078)	0.865 (0.058)	-1.496	0.708 (0.175)	0.793 (0.059)	-2.243
Political polarization	0.095 (0.352)	-0.139 (0.418)	1.831	0.117 (0.394)	0.304 (0.305)	-1.668
Political fractionalization	0.596 (0.120)	0.540 (0.187)	1.063	0.517 (0.163)	0.537 (0.108)	-0.448
Obs (counties)	16	23		16	23	

Notes: standard deviations in parenthesis and T-statistics for testing means between county executives whose audit queries were resolved before and after the 2017 gubernatorial elections on the 2013 and 2017 electoral outcomes. Incumbents in Baringo, Nakuru, and Nandi counties lost in the primaries and did not run for reelection in 2017. Counties that did not resolve audit queries after the election are excluded.

Table 2.4: Descriptive statistics – County and Governor’s characteristics

	All (1)	Resolved audit before the election (2)	Resolved audit after the election (3)	t-stat (4)
<u>Panel A: County characteristics</u>				
Ethnic fractionalization (1989)	0.234 (0.237)	0.189 (0.283)	0.189 (0.193)	1.442
Share of households owning radio	68.779 (16.301)	64.850 (17.826)	71.513 (14.943)	-1.266
Number of Local radio stations (2014)	2.359 (1.967)	2.063 (2.081)	2.565 (1.903)	-0.781
Share of households owning TV	19.472 (12.805)	19.131 (4.164)	19.709 (9.689)	-0.137
Poverty gap	49.887 (16.817)	53.338 (20.390)	47.487 (13.798)	1.071
Log Population	13.432 (0.610)	13.308 (0.679)	13.519 (0.556)	-1.062
Log Population density	4.751 (1.646)	4.531 (1.888)	4.905 (1.479)	-0.694
Proportion of urban population	23.209 (18.939)	22.946 (22.291)	23.393 (16.753)	-0.071
Access time to the nearest town (minutes)	66.795 (128.721)	91.375 (128.721)	49.696 (55.224)	1.386
Proportion with primary school education	51.136 (14.006)	48.219 (14.661)	53.165 (13.482)	-1.088
<u>Panel B: Governor’s characteristics</u>				
Governor’s Age (2013)	54.842 (8.497)	50.333 (8.217)	57.783 (7.453)	-2.893
Member of the ruling coalition	0.436 (0.502)	0.500 (0.516)	0.391 (0.499)	0.660
Governor has MA	0.615 (0.493)	0.625 (0.500)	0.609 (0.499)	0.100
Governor has PhD	0.179 (0.389)	0.188 (0.403)	0.174 (0.388)	0.106
Prior political experience as MP	0.333 (0.478)	0.375 (0.500)	0.304 (0.470)	0.450
Vote margin (2013)	0.268 (0.242)	0.261 (0.176)	0.273 (0.283)	0.140
Vote margin (2017)	0.056 (0.320)	0.182 (0.322)	-0.032 (0.294)	2.154
Obs.	39	16	23	

Notes: standard deviations in parenthesis and T-statistics for testing means between county executives whose audit queries were resolved before and after the 2017 gubernatorial elections.

Table 2.5: MCA electoral outcomes and county assembly audit irregularities

	All (1)	Lost in 2017 (2)	Won in 2017 (3)	t-stat (4)
Panel A: Electoral outcomes				
Vote margin (2013)	0.186 (0.177)	0.167 (0.169)	0.222 (0.185)	-4.742
Vote margin (2017)	-0.078 (0.254)	-0.220 (-0.232)	0.184 (0.177)	-36.619
Panel B: County Assembly audit irregularities				
Irregular travel expenditure 2014 (=1 if above budget allocation)	0.312 (0.464)	0.324 (0.468)	0.291 (0.455)	1.063
Irregular travel expenditure 2015 (=1 if above budget allocation)	0.412 (0.492)	0.423 (0.494)	0.392 (0.489)	0.932
Irregular travel expenditure 2016 (=1 if above budget allocation)	0.196 (0.398)	0.271 (0.445)	0.196 (0.398)	2.616
Total Irregular travel expenditure (2014-16)	0.969 (0.989)	1.017 (1.001)	0.879 (0.963)	2.099
Excess sitting allowances 2014(=1 if above SRC cap)	0.841 (0.366)	0.832 (0.374)	0.856 (0.352)	-0.957
Excess sitting allowances 2015(=1 if above SRC cap)	0.593 (0.491)	0.562 (0.497)	0.651 (0.477)	-2.739
Excess sitting allowances 2016(=1 if above SRC cap)	0.759 (0.428)	0.745 (0.436)	0.784 (0.412)	-1.365
Total excess sitting allowances (2014-16)	0.771 (0.421)	0.765 (0.424)	0.781 (0.414)	-0.560
Panel C: Covariates				
Radio ownership	70.703 (15.105)	70.536 (15.408)	70.869 (14.802)	-0.489
Tv ownership	21.676 (14.488)	21.701 (14.461)	21.650 (14.523)	0.078
Internet connectivity	4.716 (4.659)	4.718 (4.659)	4.714 (4.661)	0.019
Obs.	986	639	347	

Notes: standard deviations in parenthesis and T-statistics for testing means between incumbent local legislators' who won and those who lost in 2017 on electoral outcomes and audit irregularities at the county assembly.

Table 2.6: Governor's trust, corruption and performance outcomes

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
-11 to -15 days	-0.031 (0.157)	-0.002 (0.157)	0.445*** (0.070)	0.467*** (0.069)	-0.112 (0.125)	-0.138 (0.128)
-6 to -10 days	-0.321 (0.325)	-0.343 (0.331)	-0.644*** (0.155)	-0.707*** (0.170)	-0.256 (0.187)	-0.278 (0.194)
-1 to -5 days	0.065 (0.074)	0.014 (0.077)	-0.150 (0.096)	-0.153 (0.095)	-0.112 (0.083)	-0.148* (0.074)
1 to 5 days	-0.238*** (0.040)	-0.279*** (0.041)	-0.042 (0.052)	-0.036 (0.052)	-0.362*** (0.038)	-0.377*** (0.045)
6 to 10 days	-0.154** (0.071)	-0.163** (0.068)	-0.302*** (0.097)	-0.254*** (0.090)	-0.467*** (0.059)	-0.456*** (0.074)
11 to 15 days	-0.398 (0.279)	-0.408 (0.261)	0.572*** (0.164)	0.580*** (0.163)	-0.625*** (0.190)	-0.716*** (0.204)
Constant	0.569*** (0.037)	0.571*** (0.081)	0.548*** (0.040)	0.434*** (0.072)	0.786*** (0.032)	0.787*** (0.082)
R.sq	0.140	0.151	0.077	0.085	0.151	0.160
Obs	1173	1173	1071	1071	1173	1173
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, day and month of information release fixed effects. Sample restricted to counties that had not resolved their audit queries before the interview, but resolved later. Respondents whose counties never resolved the audit queries are excluded. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2.7: Governor's trust, corruption and performance outcomes

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
Post-news	-0.342*** (0.079)	-0.354*** (0.071)	0.130* (0.074)	0.121 (0.074)	-0.311*** (0.048)	-0.317*** (0.053)
Constant	0.584*** (0.025)	0.588*** (0.081)	0.436*** (0.023)	0.328*** (0.067)	0.678*** (0.015)	0.666*** (0.067)
R.sq	0.136	0.148	0.073	0.081	0.148	0.157
Obs.	1173	1173	1071	1071	1173	1173
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Post-news takes value of 1 if the respondent was interviewed within 15 days after the release of corruption news, and 0 otherwise. Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, district, day and month of information release fixed effects. Sample restricted to counties that had not resolved their audit queries before the interview, but resolved later. Respondents whose counties never resolved the audit queries are excluded. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2.8: Heterogeneous effects on access to information

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
Panel A: Social media news						
Post-news	-0.224*** (0.082)	-0.374*** (0.065)	0.134* (0.072)	0.116 (0.073)	-0.290*** (0.051)	-0.301*** (0.050)
Social media news	-0.096** (0.039)	0.012 (0.081)	-0.017 (0.050)	-0.034 (0.074)	-0.005 (0.034)	0.083 (0.066)
Post-news × Social media news	0.082 (0.080)	0.075 (0.080)	-0.001 (0.078)	0.017 (0.083)	-0.063 (0.061)	-0.061 (0.060)
Constant	0.564*** (0.025)	0.592*** (0.081)	0.439*** (0.025)	0.328*** (0.067)	0.678*** (0.014)	0.663*** (0.066)
R.sq	0.121	0.149	0.073	0.081	0.149	0.158
Panel B: Own mobile phone						
Post-news	-0.057 (0.094)	-0.193** (0.087)	0.041 (0.139)	0.004 (0.146)	-0.323*** (0.109)	-0.325*** (0.112)
Own mobile phone	-0.069 (0.045)	-0.036 (0.045)	-0.082 (0.073)	-0.100 (0.078)	-0.099* (0.050)	-0.091* (0.051)
Post-news Own mobile phone	-0.172** (0.076)	-0.178** (0.074)	0.097 (0.121)	0.129 (0.125)	0.011 (0.101)	0.008 (0.102)
Constant	0.604*** (0.044)	0.618*** (0.086)	0.511*** (0.069)	0.404*** (0.078)	0.767*** (0.047)	0.738*** (0.064)
R.sq	0.125	0.153	0.074	0.083	0.152	0.160
Panel C: Often use mobile phone						
Post-news	0.011 (0.103)	-0.139 (0.103)	-0.203 (0.160)	-0.264 (0.167)	-0.289** (0.141)	-0.290* (0.149)
Often use mobile phone	-0.054 (0.069)	-0.011 (0.066)	-0.103 (0.082)	-0.121 (0.085)	-0.095* (0.055)	-0.082 (0.057)
Post-news × Often use mobile phone	-0.218** (0.090)	-0.214** (0.094)	0.347** (0.137)	0.401*** (0.147)	-0.010 (0.129)	-0.017 (0.137)
Constant	0.587*** (0.062)	0.599*** (0.100)	0.533*** (0.079)	0.412*** (0.082)	0.761*** (0.049)	0.731*** (0.071)
R.sq	0.123	0.151	0.078	0.088	0.151	0.159
Obs	1173	1173	1071	1071	1173	1173
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Post-news takes value of 1 if the respondent was interviewed within 15 days after the release of corruption news, and 0 otherwise. Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, district, day and month of information release fixed effects. Sample restricted to counties that had not resolved their audit queries before the interview, but resolved later. Respondents whose counties never resolved the audit queries are excluded. Significance levels at *p<0.10, ** p< 0.05, ***p< 0.01.

Table 2.8.1: Heterogeneous effects for those whose mobile phone have internet access and often use their mobile phones

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
Post-news	-0.097 (0.106)	-0.103 (0.109)	-0.258 (0.181)	-0.311 (0.194)	-0.302* (0.176)	-0.274 (0.187)
Often use mobile phone	-0.111* (0.065)	-0.060 (0.070)	-0.089 (0.075)	-0.095 (0.087)	-0.118* (0.064)	-0.103 (0.070)
Post-news × Often use mobile phone	-0.162* (0.090)	-0.195* (0.101)	0.345** (0.143)	0.384** (0.155)	-0.020 (0.147)	-0.037 (0.157)
Constant	0.657*** (0.058)	0.545*** (0.087)	0.531*** (0.076)	0.450*** (0.102)	0.799*** (0.061)	0.744*** (0.071)
R.sq	0.128	0.181	0.094	0.108	0.162	0.173
Obs	888	888	809	809	888	888
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Post-news takes value of 1 if the respondent was interviewed within 15 days after the release of corruption news, and 0 otherwise. Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, district, day and month of information release fixed effects. Sample restricted to counties that had not resolved their audit queries before the interview, but resolved later. Respondents whose counties never resolved the audit queries are excluded. Sample limited to respondents whose mobile phones have internet access. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2.9: Gubernatorial incumbency disadvantage and political competition

	Margin of victory 2017	Voter turnout 2017	Political polarization 2017	Political fractionaliziati on 2017
	(1)	(2)	(3)	(4)
Unresolved audit queries (=1 if resolved after election)	-0.264** (0.0999)	-0.003 (0.010)	0.205 (0.125)	0.039 (0.045)
Political corruption (total 2014- 16)	-0.099** (0.038)	0.001 (0.005)	0.015 (0.052)	-0.002 (0.012)
Mismanagement (total 2014- 16)	-0.011 (0.074)	-0.004 (0.006)	-0.054 (0.060)	-0.018 (0.015)
Total number of audit query (total 2014-16)	-0.039** (0.019)	-0.002 (0.002)	0.018 (0.021)	0.002 (0.006)

Notes: Robust standard errors in parentheses, significant levels at *p<0.10, **p<0.05, ***p<0.01. Other controls are county's characteristics (population, population density, ethnic fractionalization, access time to town, own radio, local radio, own TV, secondary education), governor's characteristics (governor's age, urban population, member of ruling coalition, political experience, education), and electoral returns in 2013, political fractionalization 2013, and political polarization 2013. Number of observations is 39.

Table 2.10: Specific audit irregularities (total 2014-16) on electoral outcomes and political competition

	Margin of victory 2017	Voter turnout 2017	Political polarization 2017	Political fractionalizer ion 2017
	(1)	(2)	(3)	(4)
Irregular revenue collection	-0.217*** (0.0638)	0.010 (0.012)	0.050 (0.093)	0.039 (0.036)
Irregular procurement	-0.0875 (0.107)	-0.013 (0.015)	0.375*** (0.095)	0.053* (0.028)
Unsupported expenditure	-0.0180 (0.101)	-0.041*** (0.015)	0.221 (0.133)	0.108*** (0.037)
Unaccounted expenditure	-0.0652 (0.0936)	0.007 (0.012)	0.064 (0.141)	0.001 (0.034)
Irregular payments	-0.0379 (0.0982)	-0.018 (0.015)	0.165 (0.108)	0.017 (0.031)
Unrefunded imprests	0.0698 (0.0620)	-0.005 (0.007)	-0.011 (0.083)	-0.028 (0.027)
Under expenditure	0.0827 (0.130)	-0.016 (0.015)	-0.168* (0.083)	-0.018 (0.035)
Pending bills	-0.115 (0.0713)	0.025** (0.011)	-0.097 (0.100)	-0.001 (0.031)
Unbudgeted expenditure	-0.0962 (0.0892)	0.008 (0.010)	0.161 (0.107)	-0.018 (0.034)
Stalled projects	0.0115 (0.0719)	-0.009 (0.009)	0.112 (0.093)	-0.048** (0.022)

Notes: Robust standard errors in parentheses, significant levels at *p<0.10, **p<0.05, ***p<0.01. Other controls are county's characteristics (population, population density, ethnic fractionalization, access time to town, own radio, local radio, own TV, secondary education), governor's characteristics (governor's age, urban population, member of ruling coalition, political experience, education), and electoral returns in 2013, political fractionalization 2013, and political polarization 2013. Number of observations is 39.

Table 2.11. Specific financial year political corruption irregularities

	Margin of victory 2017	Voter turnout	Political polarization 2017	Political fractionalizer ion 2017
	(1)	(2)	(3)	(4)
Political corruption 2014(> 2)	-0.269*** (0.0974)	0.001 (0.011)	0.163 (0.139)	0.034 (0.061)
Political corruption 2015(> 2)	-0.342** (0.149)	0.022* (0.011)	0.074 (0.300)	0.034 (0.073)
Political corruption 2016(> 2)	-0.0699 (0.119)	-0.002 (0.014)	0.145 (0.136)	0.029 (0.038)

Notes: Robust standard errors in parentheses, significant levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Other controls are county's characteristics (population, population density, ethnic fractionalization, access time to town, own radio, local radio, own TV, secondary education), governor's characteristics (governor's age, urban population, member of ruling coalition, political experience, education), and electoral returns in 2013 (political fractionalization 2013, political polarization 2013). Number of observations is 39.

Table 2.12: MCA incumbency disadvantage

	Victory t+1	Victory t+1	Vote margin t+1	Vote margin t+1
	(1)	(2)	(3)	(4)
	-0.541*** (0.0497)	-0.509*** (0.0830)	-0.282*** (0.0238)	-0.287*** (0.0319)
Obs.	1682	1682	1682	1682
Bandwidth	0.241	0.189	0.173	0.180
Controls	Yes	Yes	Yes	Yes
Spline	Linear	Quadratic	Linear	Quadratic

Notes: Optimal bandwidth is used on both sides of the cut off to minimize the mean squared error (MSE) of the RD treatment effect estimator with a rectangular kernel (Calonico et al. 2014). Controls include media sources TV, radio, and internet connectivity at the county level. Standard errors clustered at the ward level. Counties where the MCA oversight and never resolved their audit queries even after the elections are excluded. Significance level: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2.13: MCA sitting allowance irregularities

Margin of victory t+1	(1)	(2)	(3)	(4)
Allowance irregularity 2014 × Won 2013	-0.080** (0.040)			
Allowance irregularity 2015 × Won 2013		0.021 (0.032)		
Allowance irregularity 2016 × Won 2013			-0.035 (0.034)	
Allowance irregularity 2014-16 × Won 2013				-0.068* (0.035)
R.sq	0.105	0.102	0.102	0.104
Obs	1917	1917	1917	1917
Controls	Yes	Yes	Yes	Yes
Fixed Effects	Yes	Yes	Yes	Yes

Notes: Other controls are county's characteristics on access to information (own radio, own TV, and internet connectivity), allowance irregularities 2014-16, and electoral returns in 2013 (probability of winning and vote margin). Standard errors clustered at county× ward level in parentheses, significant levels at *p<0.10, **p<0.05, ***p<0.01.

Table 2.14: MCA Travel irregularities

Margin of victory t+1	(1)	(2)	(3)	(4)
Travel irregularity 2014 × Won 2013	-0.015 (0.034)			
Travel irregularity 2015 × Won 2013		-0.014 (0.034)		
Travel irregularity 2016 × Won 2013			-0.067* (0.038)	
Travel irregularity 2014-16 × Won 2013				-0.019 (0.017)
R.sq	0.102	0.102	0.105	0.103
Obs	1917	1917	1917	1917
Controls	Yes	Yes	Yes	Yes
Fixed Effects	Yes	Yes	Yes	Yes

Notes: Other controls are county's characteristics on access to information (own radio, own TV, and internet connectivity), allowance irregularities 2014-16, and electoral returns in 2013 (probability of winning and vote margin). Standard errors clustered at county× ward level in parentheses, significant levels at *p<0.10, **p<0.05, ***p<0.01.

Table 3.1: Criminal case assignment to Judges

	Pre-Reform				Post-Reform			
	Kikuyu Judge	Kalenjin Judge	Luo Judge	Other ethnic Judge	Kikuyu Judge	Kalenjin Judge	Luo Judge	Other ethnic Judge
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Arson	0.020 (0.034)	-0.013 (0.022)	0.014 (0.032)	-0.021 (0.044)	-0.050 (0.052)	0.030 (0.026)	-0.074 (0.053)	0.094 (0.070)
Assult	-0.003 (0.028)	-0.005 (0.017)	0.024 (0.022)	-0.016 (0.031)	-0.030 (0.053)	0.047 (0.027)	-0.014 (0.051)	-0.004 (0.068)
Bail	-0.000 (0.076)	0.002 (0.013)	-0.021 (0.075)	0.020 (0.115)	-0.137 (0.071)	-0.006 (0.031)	0.042 (0.040)	0.101 (0.085)
Damage property	0.034 (0.043)	0.016 (0.022)	-0.016 (0.032)	-0.035 (0.048)	-0.012 (0.054)	0.019 (0.035)	-0.052 (0.056)	0.045 (0.073)
Disorderly	-0.048 (0.023)	0.051 (0.023)	0.027 (0.027)	-0.030 (0.032)	-0.038 (0.053)	0.048 (0.028)	-0.024 (0.053)	0.014 (0.068)
Forceful detainer	0.007 (0.027)	-0.003 (0.010)	0.062 (0.058)	-0.066 (0.064)	-0.114 (0.092)	0.064 (0.057)	0.067 (0.101)	-0.017 (0.081)
Manslaughter	-0.020 (0.035)	0.028 (0.023)	0.014 (0.024)	-0.022 (0.044)	-0.011 (0.053)	0.004 (0.031)	-0.079 (0.054)	0.086 (0.069)
Murder	-0.055 (0.023)	0.004 (0.012)	0.015 (0.021)	0.036 (0.028)	-0.007 (0.053)	-0.003 (0.029)	-0.048 (0.052)	0.059 (0.068)
Narcotics	0.023 (0.032)	0.013 (0.018)	0.011 (0.026)	-0.047 (0.035)	-0.063 (0.050)	0.043 (0.029)	-0.040 (0.054)	0.059 (0.068)
Robbery	-0.022 (0.018)	0.008 (0.014)	0.017 (0.015)	-0.004 (0.022)	-0.026 (0.046)	0.016 (0.023)	-0.046 (0.050)	0.055 (0.064)
Sexual	-0.011 (0.017)	-0.006 (0.012)	0.027 (0.017)	-0.011 (0.022)	-0.036 (0.048)	0.021 (0.024)	-0.035 (0.049)	0.050 (0.065)
Kikuyu defendant	0.024 (0.014)	-0.004 (0.006)	-0.037 (0.018)	0.017 (0.020)	0.011 (0.008)	-0.010 (0.005)	0.016 (0.010)	-0.017 (0.012)
Kalenjin defendant	0.039 (0.025)	0.003 (0.023)	-0.030 (0.017)	-0.012 (0.033)	0.017 (0.021)	0.003 (0.010)	-0.006 (0.014)	-0.014 (0.014)
Luo defendant	0.001 (0.018)	-0.006 (0.010)	-0.025 (0.018)	0.030 (0.022)	-0.005 (0.013)	-0.006 (0.010)	0.004 (0.009)	0.007 (0.017)
Male defendant	-0.001 (0.010)	-0.011 (0.010)	-0.018 (0.019)	0.030 (0.021)	0.030 (0.024)	0.024 (0.020)	-0.006 (0.014)	-0.048 (0.022)
Joint F	1.405	0.923	1.122	1.206	1.430	0.944	1.345	1.121
P-value	0.167	0.543	0.352	0.286	0.148	0.519	0.190	0.348
R.sq.	0.530	0.619	0.570	0.542	0.589	0.565	0.475	0.584
Obs.	3695	3695	3695	3695	8291	8291	8291	8291

Notes: OLS regression of criminal case random assignments to judges. All estimations control for court house \times case ruling year fixed effects. Outcome variable are defendants being assigned to a Kikuyu ethnic, Kalenjin ethnic, Luo, and other ethnic judges. Joint F -test of the null hypothesis of the joint significance of all the variables, with its p -value reported at the bottom with standard errors clustered at the judge level.

Table 3.2: Distribution of Cases by Judge's Ethnicity and Pre and Post judicial reforms

	Pre-Reforms				Post-Reforms			
	Kikuyu Judge	Kalenjin Judge	Luo Judge	Other tribe Judge	Kikuyu Judge	Kalenji n Judge	Luo Judge	Other tribe Judge
	(1)	(2)	(3)	4	(5)	(6)	(7)	(8)
Arson	0.020 (0.141)	0.006 (0.076)	0.006 (0.077)	0.011 (0.103)	0.006 ^b (0.079)	0.009 (0.097)	0.003 (0.051)	0.008 (0.090)
Assault	0.039 (0.193)	0.047 (0.212)	0.038 (0.192)	0.041 (0.197)	0.021 ^b (0.143)	0.025 (0.158)	0.028 (0.164)	0.019 ^b (0.138)
Bail	0.003 (0.056)	0.003 (0.003)	0.006 (0.077)	0.002 (0.049)	0.003 (0.001)	0.002 (0.001)	0.005 (0.072)	0.002 (0.001)
Damage property	0.017 (0.130)	0.021 (0.142)	0.009 (0.094)	0.013 (0.114)	0.008 ^b (0.091)	0.010 (0.101)	0.008 (0.089)	0.011 (0.103)
Disorderly conduct	0.031 (0.173)	0.044 (0.205)	0.040 (0.196)	0.032 (0.177)	0.024 (0.155)	0.029 (0.169)	0.026 (0.160)	0.023 (0.151)
Forceful Detainer	0.006 (0.079)	0.003 (0.054)	0.002 (0.001)	0.002 (0.045)	0.002 (0.001)	0.005 (0.069)	0.005 (0.003)	0.001 ^a (0.001)
Manslaughter	0.017 (0.130)	0.018 (0.132)	0.009 (0.094)	0.020 (0.139)	0.008 ^b (0.089)	0.011 (0.106)	0.007 (0.081)	0.012 ^b (0.002)
Murder	0.164 (0.371)	0.144 (0.351)	0.206 ^a (0.405)	0.228 ^a (0.420)	0.209 ^{ab} (0.406)	0.161 (0.368)	0.158 ^b (0.365)	0.191 ^{ab} (0.393)
Narcotics	0.048 (0.214)	0.056 (0.230)	0.057 (0.233)	0.037 (0.189)	0.230 ^b (0.170)	0.033 (0.179)	0.034 ^b (0.182)	0.025 ^b (0.156)
Robbery	0.439 (0.497)	0.428 (0.496)	0.393 (0.489)	0.417 (0.493)	0.286 ^b (0.452)	0.257 ^b (0.437)	0.256 ^b (0.436)	0.263 ^b (0.441)
Sexual	0.212 (0.409)	0.229 (0.421)	0.228 (0.420)	0.193 (0.395)	0.396 ^{ab} (0.489)	0.457 ^b (0.498)	0.469 ^b (0.499)	0.443 ^b (0.497)
Male defendant	0.944 (0.230)	0.930 (0.256)	0.934 (0.249)	0.947 (0.225)	0.959 (0.198)	0.958 ^b (0.200)	0.960 ^b (0.195)	0.962 ^b (0.190)
Kikuyu defendant	0.487 (0.501)	0.517 (0.501)	0.386 ^a (0.488)	0.528 (0.499)	0.388 ^b (0.488)	0.397 ^b (0.490)	0.450 (0.499)	0.397 ^b (0.489)
Kalenjin defendant	0.508 (0.063)	0.628 (0.489)	0.371 ^a (0.490)	0.440 ^a (0.499)	0.376 ^a (0.485)	0.645 (0.482)	0.326 (0.471)	0.387 ^a (0.489)
Luo defendant	0.509 (0.505)	0.684 (0.478)	0.351 ^a (0.484)	0.486 (0.502)	0.431 (0.497)	0.453 (0.500)	0.437 (0.499)	0.380 ^b (0.486)
Other tribe defendant	0.481 ^a (0.501)	0.591 (0.494)	0.395 ^a (0.490)	0.516 (0.500)	0.389 ^b (0.488)	0.382 ^b (0.486)	0.420 (0.494)	0.404 ^b (0.491)

Notes: Summary statistics by Judge Ethnicity and ethnic political affiliation. With ^a shown in columns (1)-(4) (columns 5-8) looks at difference in means in pre(post)-reforms period between Kalenjin judge and the other ethnic group, with ^b shown in columns (5)-(8) reporting the over-time difference in given ethnic group judge (columns 1 vs. 5; columns 2 vs. 6; columns 3 vs. 7; and columns 4 vs. 8). Other tribe's judge include the Kamba, Luhya, Kisii, and other ethnic groups. Standard deviations in parenthesis. Significant levels at, $p < 0.05$ with standard deviations in parentheses.

Table 3.2.1: Distribution of Cases and Case Outcomes by Judge's Ethnicity and Pre and Post judicial reforms

	Pre-Reform				Post-Reform			
	Kikuyu Judge	Kalenjin Judge	Luo Judge	Other tribes Judge	Kikuyu Judge	Kalenjin Judge	Luo Judge	Other tribes Judge
	(1)	(2)	(3)	4	(5)	(6)	(7)	(8)
Panel A: case overview								
Kikuyu defendant	0.360 ^a (0.480)	0.431 (0.496)	0.317 ^a (0.466)	0.447 (0.497)	0.362 ^a (0.481)	0.242 ^b (0.429)	0.292 ^a (0.455)	0.242 ^b (0.428)
Kalenjin defendant	0.098 (0.297)	0.126 (0.332)	0.052 ^a (0.221)	0.045 ^a (0.206)	0.098 ^a (0.297)	0.058 ^b (0.235)	0.121 ^{ab} (0.327)	0.045 (0.207)
Luo defendant	0.082 (0.275)	0.056 (0.230)	0.054 (0.227)	0.071 (0.258)	0.055 ^{ab} (0.229)	0.129 ^b (0.336)	0.094 ^{ab} (0.291)	0.155 ^{ab} (0.362)
Other tribe defendant	0.460 ^a (0.499)	0.387 (0.488)	0.577 ^a (0.494)	0.437 (0.496)	0.485 ^a (0.500)	0.570 ^b (0.495)	0.493 ^{ab} (0.500)	0.557 ^b (0.497)
Male defendant	0.944 (0.230)	0.930 (0.256)	0.934 (0.249)	0.947 (0.225)	0.959 (0.198)	0.958 ^b (0.200)	0.960 ^b (0.195)	0.962 ^b (0.190)
Male judge	0.282 ^a (0.450)	0.965 (0.185)	0.616 ^a (0.487)	0.709 ^a (0.454)	0.483 ^{ab} (0.500)	0.887 ^b (0.317)	0.282 ^{ab} (0.450)	0.560 ^{ab} (0.496)
Panel B: case outcome– appeal allowed								
Kikuyu defendant	0.625 (0.485)	0.639 (0.482)	0.502 ^a (0.501)	0.631 (0.483)	0.505 ^b (0.500)	0.502 (0.500)	0.536 ^b (0.500)	0.516 ^b (0.500)
Kalenjin defendant	0.667 (0.475)	0.651 (0.482)	0.543 (0.505)	0.560 (0.499)	0.485 ^{ab} (0.501)	0.629 (0.487)	0.446 (0.501)	0.497 (0.502)
Luo defendant	0.660 (0.478)	0.737 (0.452)	0.514 (0.507)	0.658 (0.476)	0.557 (0.498)	0.555 (0.499)	0.493 (0.504)	0.495 ^b (0.500)
Other tribe defendant	0.653 (0.477)	0.674 (0.470)	0.526 ^a (0.500)	0.651 (0.477)	0.534 ^b (0.499)	0.487 ^b (0.500)	0.564 ^a (0.497)	0.527 ^b (0.499)
Panel C: case outcome– defendant acquitted								
Kikuyu defendant	0.487 (0.501)	0.517 (0.501)	0.386 ^a (0.488)	0.528 (0.499)	0.388 ^b (0.488)	0.397 ^b (0.490)	0.450 (0.499)	0.397 ^b (0.489)
Kalenjin defendant	0.508 (0.063)	0.628 (0.489)	0.371 ^a (0.490)	0.440 ^a (0.499)	0.376 ^a (0.485)	0.645 (0.482)	0.326 (0.471)	0.387 ^a (0.489)
Luo defendant	0.509 (0.505)	0.684 (0.478)	0.351 ^a (0.484)	0.486 (0.502)	0.431 (0.497)	0.453 (0.500)	0.437 (0.499)	0.380 ^b (0.486)
Other tribe defendant	0.481 ^a (0.501)	0.591 (0.494)	0.395 ^a (0.490)	0.516 (0.500)	0.389 ^b (0.488)	0.382 ^b (0.486)	0.420 (0.494)	0.404 ^b (0.491)

Notes: Summary statistics by Judge Ethnicity and ethnic political affiliation. With ^a shown in columns (1)-(4) (columns 5-8) looks at difference in means in pre(post)-reforms period between Kalenjin judge and the other ethnic group, with ^b shown in columns (5)-(8) reporting the over-time difference in given ethnic group judge (columns 1 vs. 5; columns 2 vs. 6; columns 3 vs. 7; and columns 4 vs. 8). Other tribe's judge include the Kamba, Luhya, Kisii, and other ethnic groups. Standard deviations in parentheses. Significant levels at, $p < 0.05$ with standard deviations in parentheses.

Table 3.3: Descriptive statistics – citizen attitude on judicial system by Respondents’ ethnicity and Pre- and Post-Reform period

	All	Pre-reform	Post-reform	t-stats
	(1)	(2)	(3)	(4)
Panel A: Kalenjin				
Trust the courts	0.634 (0.482)	0.320 (0.468)	0.811 (0.393)	-10.522
Unfairly treated under the law	0.718 (0.450)	0.781 (0.415)	0.683 (0.466)	1.985
Corrupt Judges	0.375 (0.485)	0.383 (0.043)	0.370 (0.484)	0.238
Panel B: Kikuyu				
Trust the courts	0.633 (0.482)	0.540 (0.499)	0.671 (0.470)	-3.756
Unfairly treated under the law	0.698 (0.459)	0.772 (0.420)	0.668 (0.471)	3.103
Corrupt Judges	0.352 (0.478)	0.376 (0.485)	0.343 (0.475)	0.970
Panel C: Luo				
Trust the courts	0.538 (0.499)	0.459 (0.500)	0.579 (0.495)	-2.275
Unfairly treated under the law	0.789 (0.408)	0.756 (0.431)	0.807 (0.395)	-1.186
Corrupt Judges	0.437 (0.497)	0.444 (0.499)	0.432 (0.496)	0.228

Table 3.3. Descriptive statistics (continued)

	All	Pre-reform	Post-reform	t-stats
	(1)	(2)	(3)	(4)
<hr/> Panel D: Other ethnic				
Trust the courts	0.547 (0.498)	0.497 (0.500)	0.569 (0.495)	-2.856
Unfairly treated under the law	0.698 (0.459)	0.699 (0.459)	0.698 (0.459)	0.080
Corrupt Judges	0.449 (0.498)	0.448 (0.498)	0.450 (0.498)	-0.073
<hr/> Panel E: Covariates				
Urban	0.680 (0.467)	0.775 (0.418)	0.636 (0.481)	8.279
Age	35.810 (13.204)	35.215 (12.918)	36.084 (13.328)	-1.807
Public goods (water connectivity)	0.421 (0.494)	0.348 (0.476)	0.454 (0.498)	-5.948
Major ethnicity (majority share by district)	0.781 (0.413)	0.763 (0.426)	0.790 (0.408)	-1.800
High school (completed)	0.185 (0.388)	0.174 (0.379)	0.190 (0.392)	-1.127
Male	0.500 (0.500)	0.498 (0.500)	0.501 (0.500)	-0.156
Working	0.390 (0.488)	0.348 (0.476)	0.409 (0.492)	-3.468

Notes: Standard deviations in parenthesis and T-statistics for testing means between respondents interviewed in pre-reform period (2008) and post-reform period (2014), as well as covariates.

Table 3.4: Ethnic animosity under judicial reforms

	Appeal allowed			Defendant Acquitted		
	Pre- Reform	Post- Reform	Diff	Pre- Reform	Post- Reform	Diff
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	0.095 (0.098)	-0.036 (0.059)	0.151	0.092 (0.076)	-0.002 (0.053)	0.253
Kikuyu Judge × Luo defendant	0.016 (0.055)	0.020 (0.080)	0.773	0.097 (0.113)	-0.009 (0.085)	0.356
Kalenjin Judge × Kikuyu defendant	0.185 (0.161)	0.041 (0.100)	0.315	0.214** (0.077)	-0.019 (0.108)	0.007
Kalenjin Judge × Kalenjin defendant	0.219 (0.156)	0.150 (0.110)	0.747	0.333*** (0.076)	0.225* (0.127)	0.187
Kalenjin Judge × Luo defendant	0.193 (0.150)	0.141 (0.090)	0.850	0.342*** (0.072)	0.064 (0.081)	0.001
Luo Judge × Kikuyu defendant	-0.038 (0.177)	-0.092 (0.077)	0.250	0.112 (0.116)	-0.085 (0.102)	0.699
Luo Judge × Kalenjin defendant	0.056 (0.136)	-0.156 (0.134)	0.956	0.111 (0.130)	-0.192 (0.137)	0.228
Luo Judge × Luo defendant	0.051 (0.198)	-0.181 (0.161)	0.981	0.137 (0.163)	-0.180 (0.173)	0.435
Constant	0.552*** (0.062)	0.519*** (0.024)		0.371*** (0.039)	0.419*** (0.026)	
R.sq.	0.162	0.154		0.168	0.159	
Obs.	819	2361		819	2361	
Fixed Effects	Y	Y		Y	Y	

Notes: OLS results where the dependent variable is whether criminal appeal was allowed and whether the defendant was acquitted. The pre-reform sample includes cases ruled from January 2003 to February, 2012 before vetting of judges under new constitution started. Post-reform sample includes cases ruled after February, 2012 to November 2019. Columns 3 and 6 presents p-values of difference in coefficients between Columns 1 and 2 and Columns 4 and 5 respectively. All estimations control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3.5: Bias – Ethnic animosity under judicial reforms

	Appeal allowed			Defendant Acquitted		
	Pre-bias	Post-bias	Overtime bias	Pre-bias	Post-bias	Overtime bias
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	0.125 (0.103)	-0.168 (0.116)	-0.043 (0.058)	0.125 (0.090)	-0.128 (0.111)	-0.003 (0.053)
Kikuyu Judge × Luo defendant	0.053 (0.059)	-0.029 (0.098)	0.025 (0.082)	0.123 (0.103)	-0.122 (0.131)	0.001 (0.086)
Kalenjin Judge × Kikuyu defendant	-0.024 (0.016)	-0.087 (0.069)	-0.111 (0.062)	-0.112*** (0.009)	-0.128 (0.077)	-0.239*** (0.071)
Kalenjin Judge × Kalenjin defendant	0.195* (0.115)	-0.035 (0.107)	0.160 (0.114)	0.321*** (0.073)	-0.105 (0.078)	0.216* (0.123)
Kalenjin Judge × Luo defendant	0.032 (0.032)	-0.142*** (0.038)	-0.110*** (0.040)	-0.083* (0.043)	-0.009 (0.035)	-0.093** (0.045)
Luo Judge × Kikuyu defendant	-0.077 (0.073)	0.142 (0.114)	0.065 (0.114)	-0.012 (0.084)	0.093 (0.110)	0.081 (0.102)
Luo Judge × Kalenjin defendant	-0.102 (0.105)	0.155 (0.136)	0.052 (0.065)	-0.005 (0.081)	0.109 (0.106)	0.103* (0.052)
Luo Judge × Luo defendant	-0.039 (0.177)	0.004 (0.186)	-0.008 (0.163)	0.061 (0.160)	-0.125 (0.159)	-0.071 (0.203)
Fixed Effects	Y	Y	Y	Y	Y	Y

Notes: Bias calculated from pooled pre and post period data estimations that control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3.6: Ethnic animosity under judicial reforms in Kikuyu homelands

	Appeal allowed			Defendant Acquitted		
	Pre- Reform	Post- Reform	Diff	Pre- Reform	Post- Reform	Diff
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	0.096 (0.065)	0.071 (0.075)	0.805	0.089 (0.096)	0.055 (0.089)	0.828
Kikuyu Judge × Luo defendant	-0.018 (0.020)	0.024 (0.087)	0.757	0.171*** (0.019)	-0.033 (0.094)	0.044
Kalenjin Judge × Kikuyu defendant	0.174 (0.158)	0.051 (0.109)	0.372	0.214** (0.077)	-0.009 (0.118)	0.016
Kalenjin Judge × Kalenjin defendant	0.184 (0.146)	0.108 (0.127)	0.420	0.321*** (0.066)	0.326*** (0.110)	0.985
Kalenjin Judge × Luo defendant	0.169 (0.138)	0.113 (0.088)	0.980	0.362*** (0.060)	0.045 (0.083)	0.001
Luo Judge × Kikuyu defendant	-0.037 (0.175)	-0.063 (0.076)	0.235	0.110 (0.115)	-0.054 (0.102)	0.805
Luo Judge × Kalenjin defendant	0.033 (0.115)	-0.086 (0.162)	0.717	0.037 (0.127)	-0.051 (0.192)	0.861
Luo Judge × Luo defendant	0.105 (0.195)	-0.332* (0.180)	0.133	0.178 (0.177)	-0.343** (0.166)	0.017
Constant	0.557*** (0.065)	0.518*** (0.021)		0.376*** (0.041)	0.411*** (0.024)	
R.sq.	0.152	0.148		0.151	0.151	
Obs.	681	1586		681	1586	
Fixed Effects	Y	Y		Y	Y	

Notes: OLS results where the dependent variable is whether criminal appeal was allowed and whether the defendant was acquitted. The pre-reform sample includes cases ruled from January 2003 to February, 2012 before vetting of judges under new constitution started. Post-reform sample includes cases ruled after February, 2012 to November 2019. Columns 3 and 6 presents p-values of difference in coefficients between Columns 1 and 2 and Columns 4 and 5 respectively. All estimations control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Sample limited to cases in courts located in Kikuyu ethnic homelands. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3.7: Bias – Ethnic animosity under judicial reforms in Kikuyu homelands

	Appeal allowed			Defendant Acquitted		
	Pre-bias	Post-bias	Overtime bias	Pre-bias	Post-bias	Overtime bias
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	0.108 (0.066)	-0.028 (0.113)	0.080 (0.082)	0.092 (0.102)	-0.033 (0.149)	0.059 (0.093)
Kikuyu Judge × Luo defendant	0.004 (0.027)	0.029 (0.094)	0.033 (0.089)	0.185*** (0.023)	-0.208** (0.101)	-0.023 (0.096)
Kalenjin Judge × Kikuyu defendant	-0.003 (0.016)	0.002 (0.106)	-0.001 (0.100)	-0.091*** (0.018)	-0.218*** (0.077)	-0.309*** (0.074)
Kalenjin Judge × Kalenjin defendant	0.168 (0.107)	-0.111 (0.136)	0.057 (0.146)	0.300*** (0.065)	-0.002 (0.094)	0.298** (0.111)
Kalenjin Judge × Luo defendant	0.027 (0.028)	-0.106*** (0.034)	-0.079** (0.036)	-0.101** (0.042)	0.035 (0.042)	-0.066 (0.046)
Luo Judge × Kikuyu defendant	-0.132* (0.071)	0.392*** (0.093)	0.260** (0.123)	-0.059 (0.102)	0.338*** (0.091)	0.278*** (0.095)
Luo Judge × Kalenjin defendant	-0.071 (0.096)	0.087 (0.136)	0.016 (0.102)	0.049 (0.078)	-0.051 (0.103)	-0.003 (0.108)
Luo Judge × Luo defendant	0.030 (0.175)	-0.247 (0.161)	-0.278 (0.111)	0.116 (0.167)	-0.361** (0.147)	-0.353** (0.162)
Fixed Effects	Y	Y	Y	Y	Y	Y

Notes: Bias calculated from pooled pre and post period data estimations that control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Sample limited to cases in courts located in Kikuyu ethnic homelands. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3.8: Citizens attitudes on judicial system

	(1) Trust the courts	(2) Unfairly treated under the law	(3) Judges are corrupt
Kikuyu	0.402*** (0.085)	0.655*** (0.082)	0.478*** (0.065)
Kikuyu × Post	0.192*** (0.056)	-0.009 (0.063)	0.032 (0.070)
Kalenjin	-0.191*** (0.067)	0.007 (0.060)	0.001 (0.078)
Kalenjin × Post	0.246*** (0.061)	-0.037 (0.059)	0.050 (0.055)
Luo	-0.043 (0.079)	0.103* (0.060)	0.025 (0.063)
Luo × Post	-0.091 (0.085)	0.033 (0.061)	0.013 (0.045)
Other ethnicity	-0.002 (0.048)	0.094 (0.064)	0.001 (0.048)
Other ethnicity × Post	-0.106** (0.046)	0.011 (0.068)	0.032 (0.070)
R.sq.	0.020	0.009	0.006
Obs.	3481	3481	3481
Controls	Y	Y	Y
Fixed Effect	Y	Y	Y

Notes: controls include urban residents, age, sex, public goods (water connectivity), major ethnicity, secondary school education, and employment status. Standard errors clustered at the district level with region, district, year and month fixed effects. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

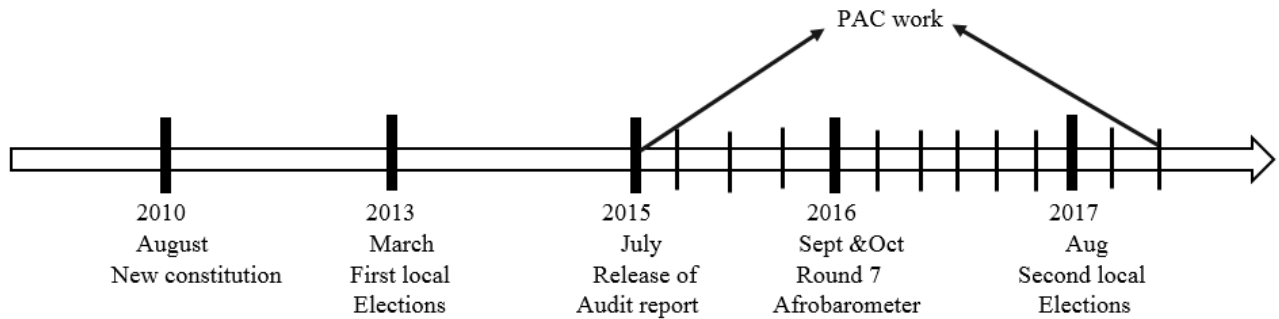


Figure 2.1: Timeline of the electoral cycle, survey and audit timing

Notes: Figure shows the timing of Kenya’s gubernatorial and local assembly elections, the release of the audit reports, and the audit queries resolved before and after the elections by the PAC.

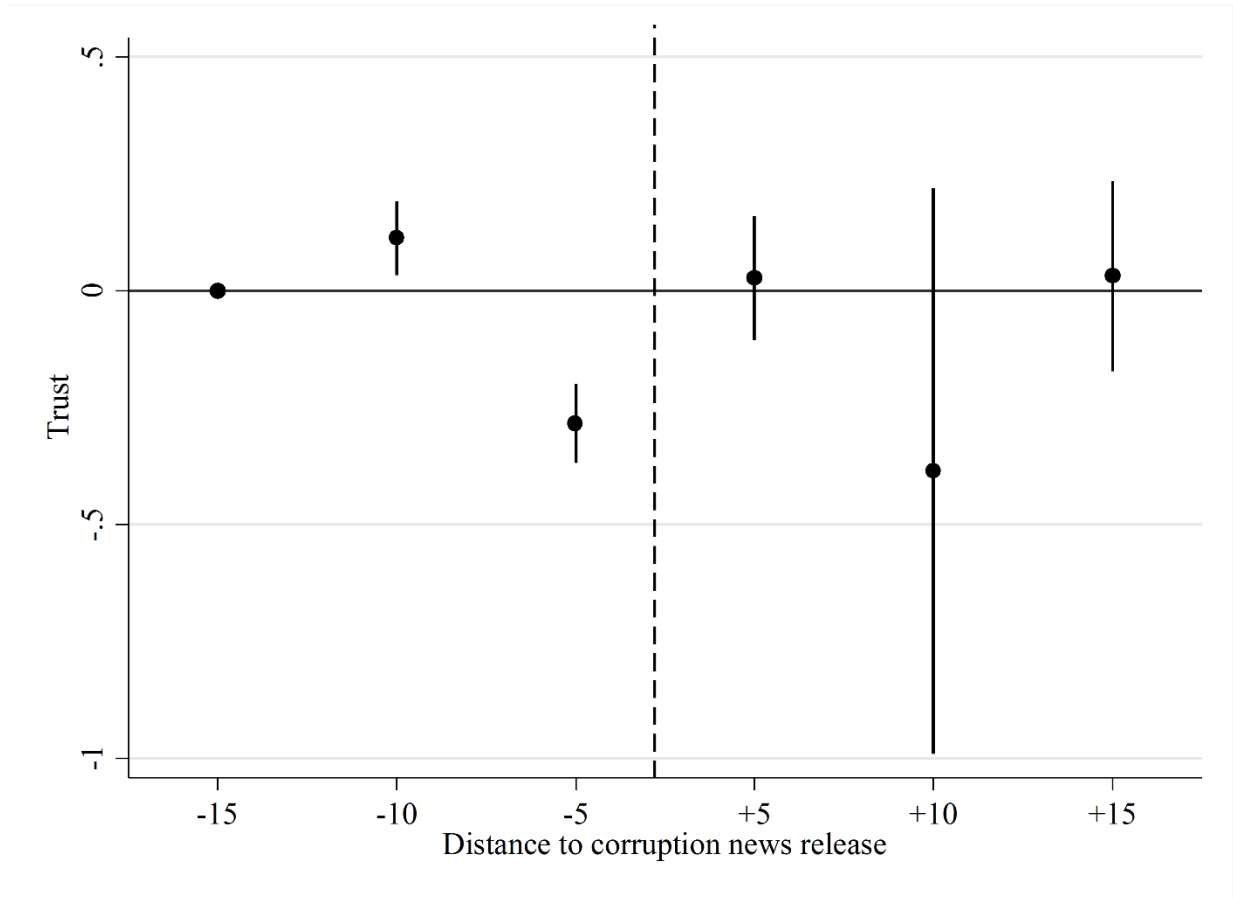


Figure 2.2: Trust for Governor before and after release of corruption news

Notes: Figure plots coefficients and 95 percent confidence intervals of 3-day intervals from 15 days before and after the release of corruption news for each county government. Coefficients estimated from a regression that controls for individual and county characteristics, as well as county, day and month of information release fixed effects with cluster-robust standard errors clustered at the county level.

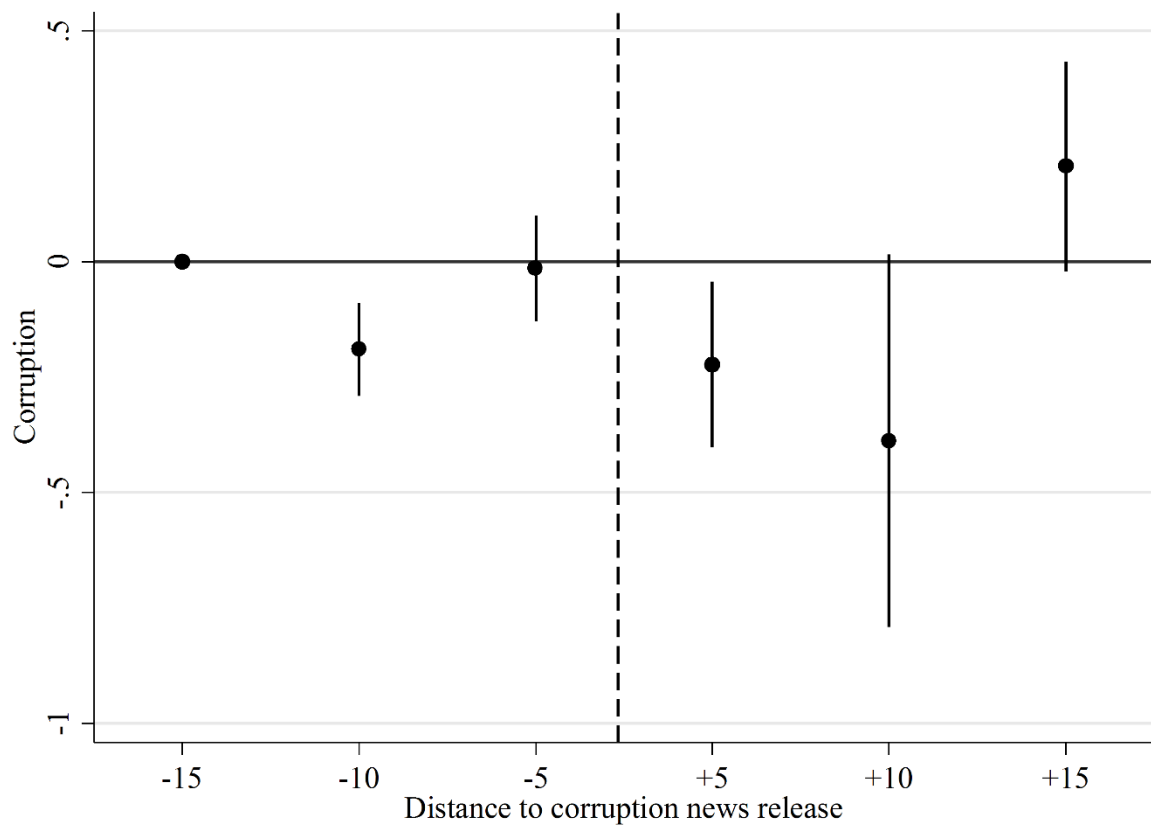


Figure 2.3: Corruption by Governor before and after release of corruption news

Notes: Figure plots coefficients and 95 percent confidence intervals of 3-day intervals from 15 days before and after the release of corruption news for each county government. Coefficients estimated from a regression that controls for individual and county characteristics, as well as county, day and month of information release fixed effects with cluster-robust standard errors clustered at the county level.

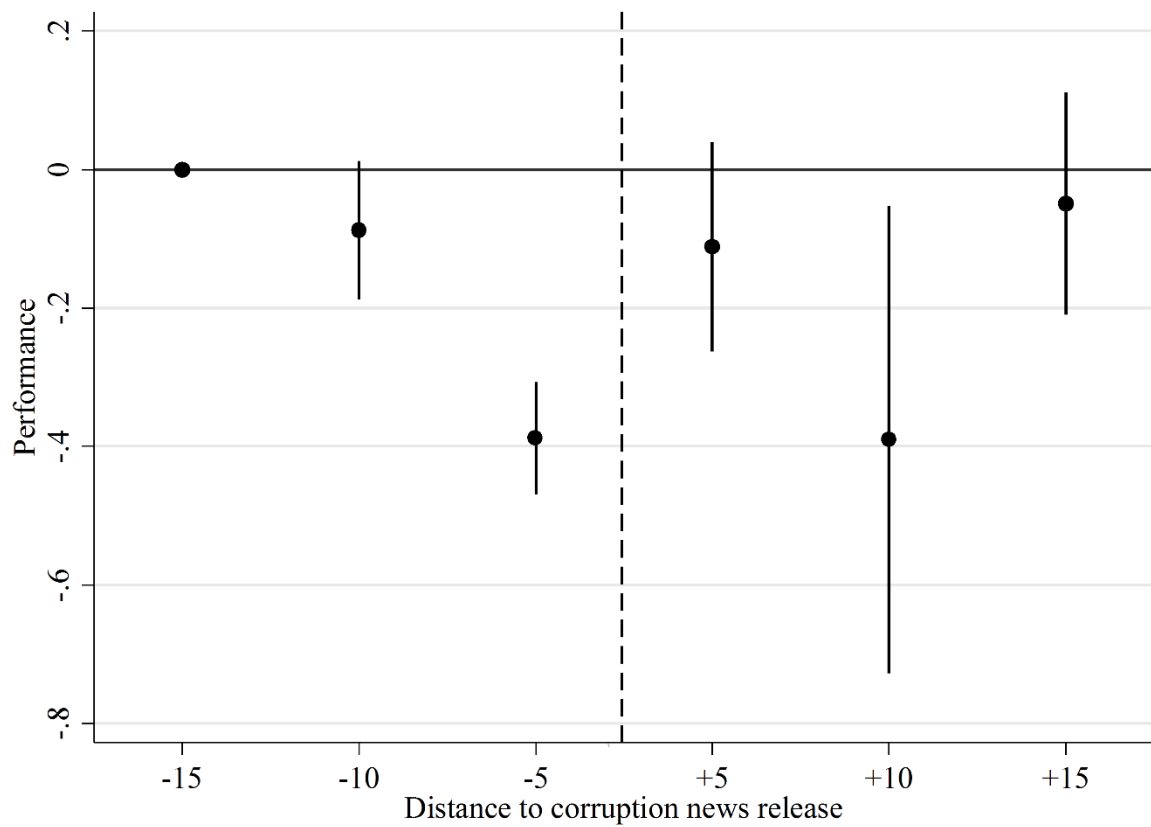


Figure 2.4: Performance by Governor before and after release of corruption news

Notes: Figure plots coefficients and 95 percent confidence intervals of 3-day intervals from 15 days before and after the release of corruption news for each county government. Coefficients estimated from a regression that controls for individual and county characteristics, as well as county, day and month of information release fixed effects with cluster-robust standard errors clustered at the county level.

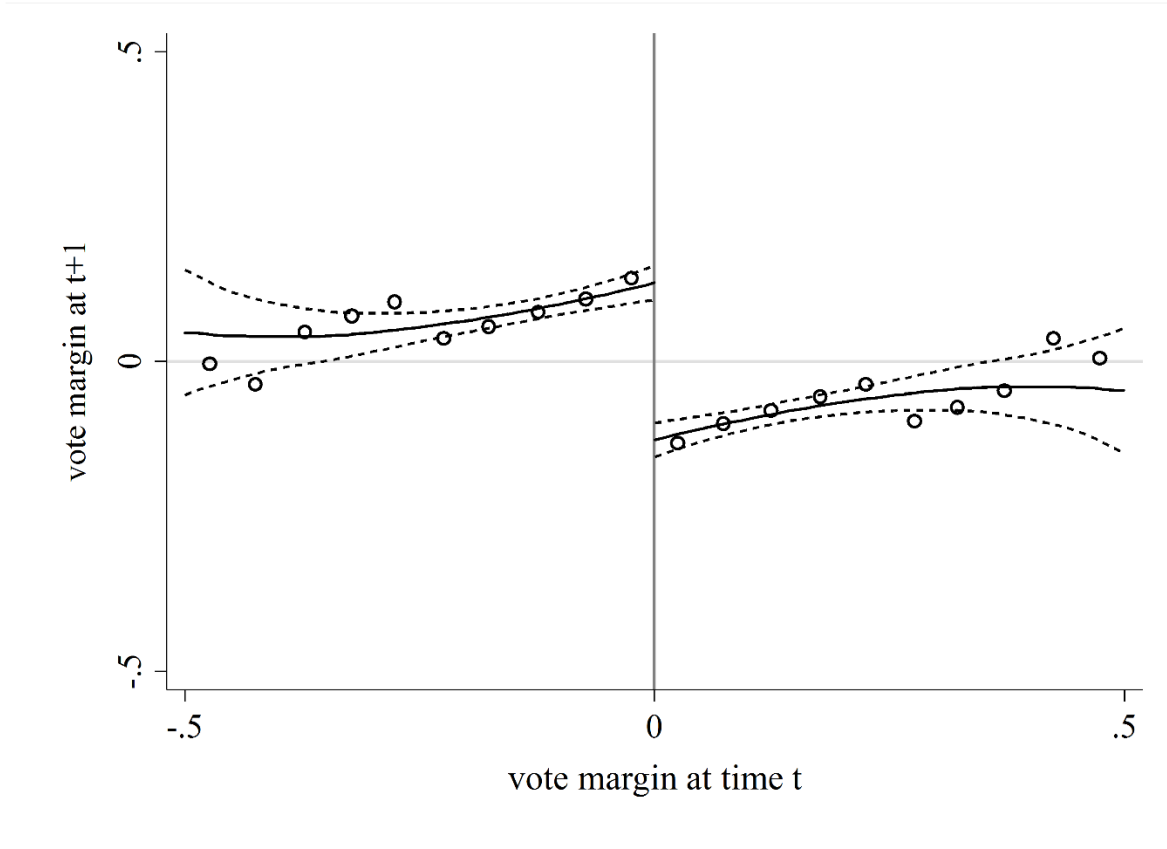


Figure 2.5: MCA incumbency disadvantage

Notes: The circles are bin averages of 5 percent bin size with the solid line representing the predicted values of a local linear polynomial smoothing on each side of the discontinuity. Dash lines are pointwise 95 percent confidence intervals.

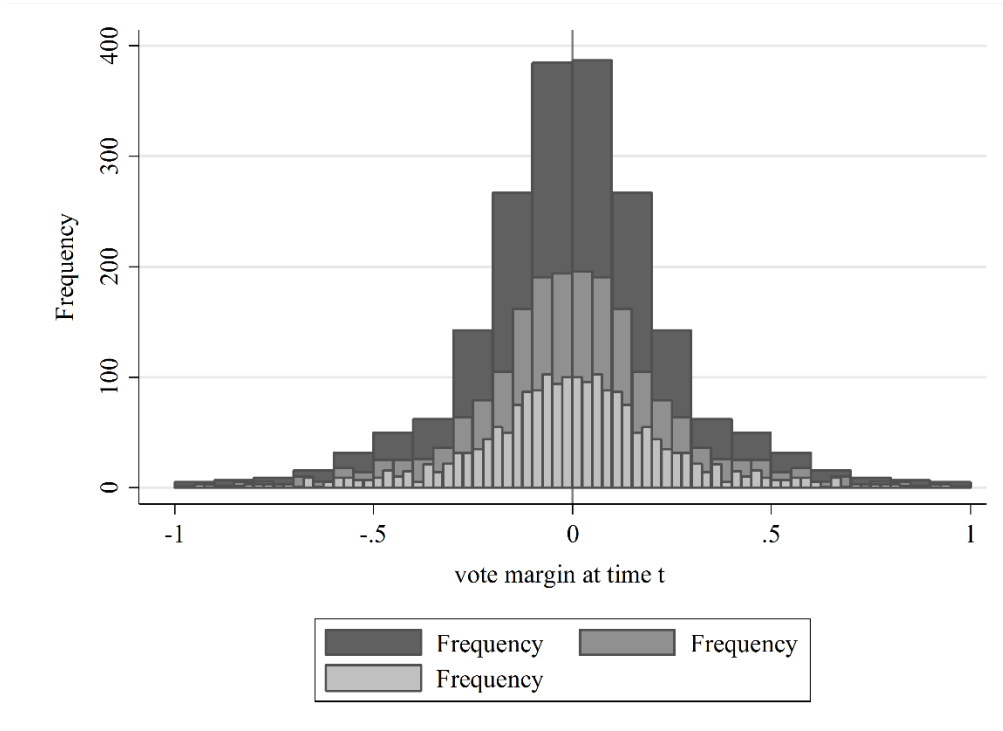


Figure 2.6: Vote margin (2013) density distribution

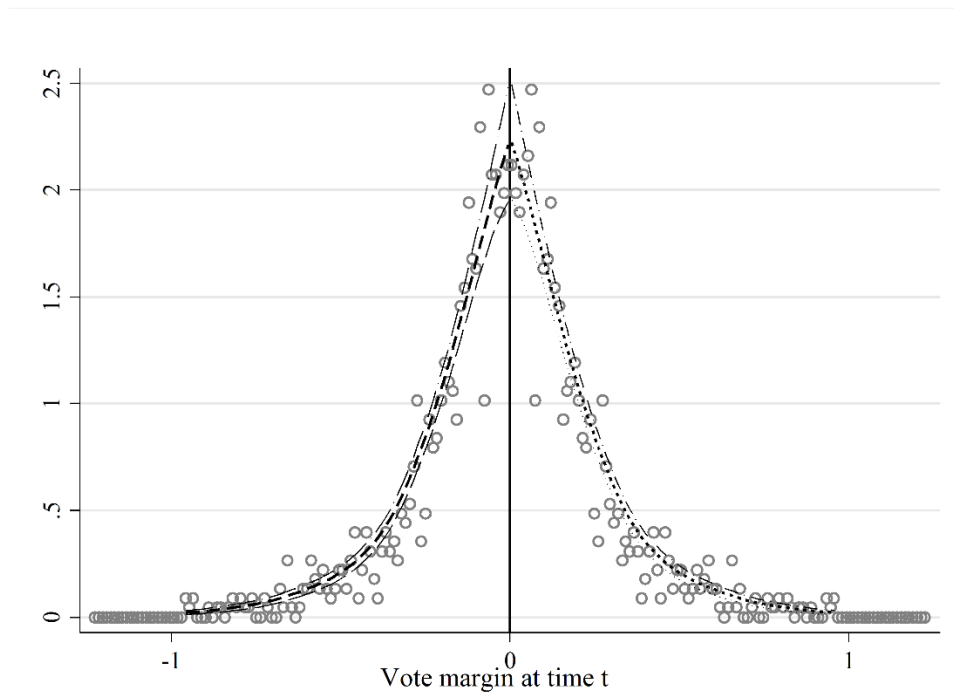


Figure 2.7: vote margin (2013) density test (McCray 2008)

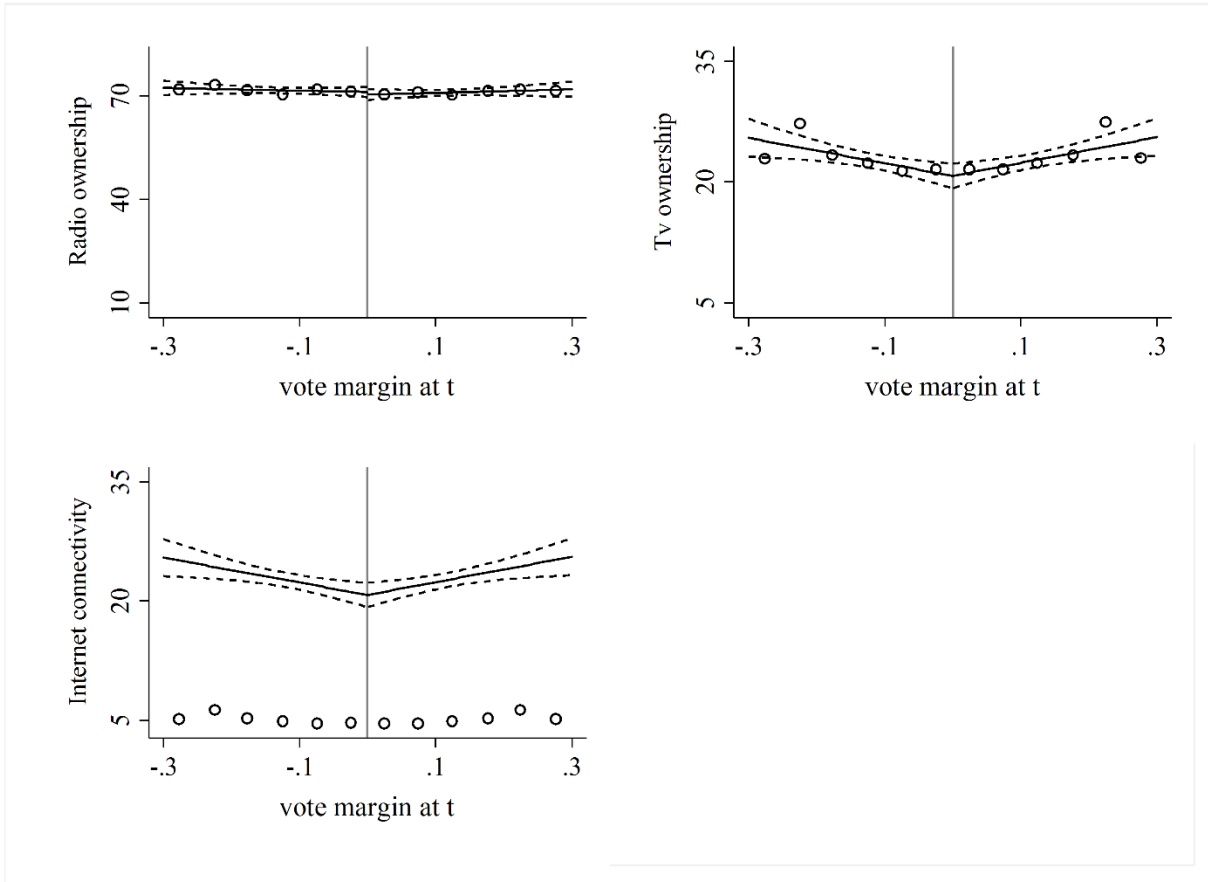


Figure 2.8: covariates as outcomes

Notes: The circles are bin averages of 5 percent bin size with the solid line representing the predicted values of a local linear polynomial smoothing on each side of the discontinuity. Dash lines are pointwise 95 percent confidence intervals.

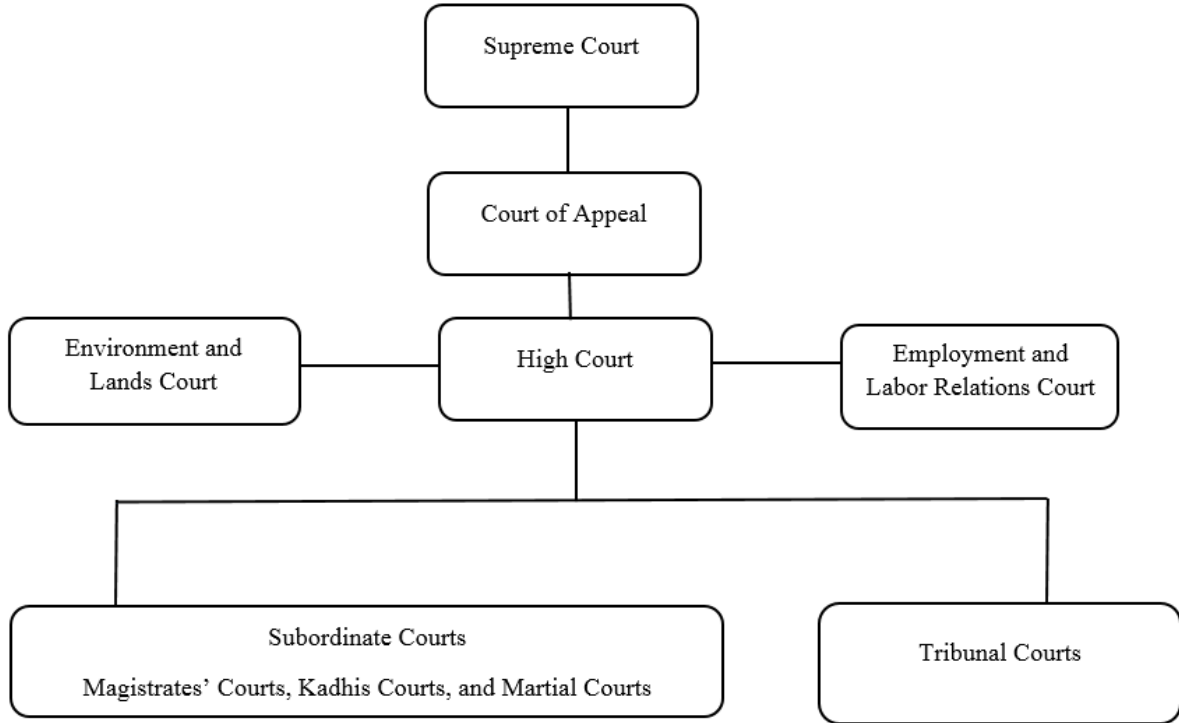


Figure 3.1: Structure of Kenyan Courts

Source (Judiciary, Kenya)

Appendix

Audit Reports Illustration

This appendix section describes the audit irregularities¹⁵.

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
COUNTY GOVERNMENT OF
WEST POKOT

FOR THE YEAR
ENDED 30 JUNE 2015

Basis for Disclaimer of Opinion

1.0 Unauthorized Expenditure

Included in the acquisition of asset figure of Kshs.1,695,218,867 reflected in the statement of receipts and payment is an expenditure of Kshs.124,336,526 which was incurred on the procurement of goods and works against budget of Kshs.69,000,000 resulting to unauthorized expenditure of Kshs.55,336,526 as shown below:

Expenditure Item	Contractor	Budget (Kshs)	Actual Expenditure (Kshs)	Unauthorised Expenditure (Kshs)
Supply of furniture four county treasury	Fraga Servcom Ltd	0	8,519,000	8,519,000
Construction of Agricultural Training College	Jyan Contractors	10,000,000	22,040,580	12,040,580
Construction of Education Office Block	Weje Enterprises	0	5,834,313	5,834,313
Construction of Intensive Care Unit	Samcom General Contractors	12,000,000	30,128,630	18,128,630
Construction of Blood Bank	Babra Hardware	12,000,000	15,171,999	3,171,999
Supply of Drilling Rigs	PRD Rigs Kenya Ltd	35,000,000	42,641,804	7,641,804
Total		69,000,000	124,336,526	55,336,526

No explanation has been provided for the above anomaly. In the circumstance, the propriety of the expenditure amounting to Kshs.55,336,526 for the year ended 30 June 2015 could not be ascertained.

2.0 Acquisition of Assets

2.1 Various Contracts

The statement of receipts and payments reflects acquisition of assets figure of Kshs.1,695,218,867 which include an expenditure totalling Kshs. 431,316,396 as shown below and which had not been budgeted for contrary to Section 28(3a) of the Public Procurement and Disposal Act, 2005 which stipulates that procurement shall be within the approved budget of the procuring entity and shall be planned through an annual procurement plan.

County Government of West Pokot –Reports and Financial Statements for the year ended 30 June 2015

7.0 Construction of Bridges

Included in the acquisition of assets figure Kshs.1,695,218,867 is construction of roads figure of Kshs.273,113,567 which include an expenditure of Kshs.52,212,360 incurred on the construction of two bridges on River Lyon at Chematony and Motrioyo which were completed on 27 June 2014 and 12 September 2014 respectively. However, procurement records such as tender advertisements, list of bidders, tender opening minutes, evaluation reports, signed contract and completion certificate were not availed for audit verification. Further, an inspection of the bridges on 18 February 2016 revealed that one bridge has already developed cracks, an evidence of poor workmanship and the contractor had not repaired the cracks as depicted in the picture below.



In the circumstances, it has not been possible to confirm if the procurement of works for the construction of bridges was done in accordance with the Public Procurement and Disposal Act, 2005 and the related Procurement and Disposal Regulations 2013 and that the County Government obtained value for money on the project.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

FCPA Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi
06 September 2016

¹⁵ Pictorial below presents an illustration of the county audit reports as drawn from the county government of West Pokot. This section provides the definition of each type of irregularity and gives an example for illustration as drawn from the county audit reports. See www.oagkenya.go.ke.

Irregular revenue: where revenue is lost at source through lack of accountability or colluding with businesses to evade taxation. Mombasa county 2013/14 financial year audit report shows that the county government exempted 96 manufacturers from paying cess fees contrary to Section (1-C) of the PFM Act, 2012. There was no documentation to show any Act of Parliament or County Assembly that authorized such a waiver. A spot check at the Shanzu barrier showed that one company that was exempted from paying cess revenue in a period of six months led to a loss of Kshs.85, 451,500 in revenue for the county.

Unaccountable expenditure: which is expenses that cannot be accounted for, or goods were delivered but not recorded upon receipt, thus amounting to simulated expenditure. This can be illustrated by the Nyandarua county government, which received Kshs.62, 000,000.00 from the Transition Authority on 5 June 2013 to facilitate the acquisition of office structures. However, the funds were not utilized for the intended purpose since no construction of offices had been done. Records showed that the funds were used to pay for other unapproved expenditures. Further, the county government did not give details of how the amount was utilized and accounted for.

Irregular payments: which are expenditures incurred without following the due procedures put in place (unauthorized expenditures) and mostly leads to diversion of funds. For example, in Kisumu County, the county government paid top-up of house and commuter allowances totaling Kshs.2, 916,000 to Chief Officers deployed in the County for performing the duties of higher posts pending advertisement of the post. The officers were paid house allowance and other remunerative allowances assigned to the higher posts contrary to the Human Resource Manual and Code of Regulations. The top-up of house allowance and commuter allowance were paid without authority from Salaries and Remuneration Commission, and the County Government lost Kshs.2, 916,000 in the irregular payments.

Under expenditure: irregularities related to non-utilization of funds by the county executive hence denying the public the required services. For example, in the 2015/16 financial year, an analysis of the development budget of Mandera county executive, one of the poorest counties, revealed that they incurred Ksh. 5,371,137,076 against the approved budget of Ksh. 7,284,541,809 resulting in under-expenditure of Ksh. 1,913,404,733 or 26.3% of the budget. The under-expenditure was mainly in the departments of Agriculture and Livestock, Education, Health Services, Public Works, Trade and Investment, and Water, Energy, and Environment.

Unbudgeted expenditures: expenditures that are incurred on goods and services that were not in the budget as approved by the county assembly. In the 2013/14 financial year, the audit report shows that the city-county of Nakuru County had been allocated 390.3 million for the Rift Valley General Hospital. However, the money was used to finance other county hospitals, thereby affecting service delivery at the only level 5 hospital in the county.

Unrefunded or outstanding imprests: entail money that is advanced to public officials but has not yet been accounted for at the time of the audit. According to section 52(3) of the Public Finance Management Act, 2012, a Public Officer to whom a cash advance is made shall account for the use of the advance within a reasonable time. In the 2013/14 financial year Busia county audit report, it was observed that an imprest of Kshs.5, 919,500, which should have been accounted for on or before 30th June 2014, was still outstanding as at July 2014. Records further show that officers were issued with multiple imprests before accounting for the previous ones.

Unsupported expenditure: spending that is not accompanied by adequate documentation such as receipts, approvals, or authorization by concerned chief accounting officers. For example, In Kiambu county, 2013/14 financial year, According to vote book records, the county executive made payments amounting to Kshs.5,965,336 to Global Material Resources on several occasions

for the supply of fuel. The following anomalies were noted: delivery notes were not available, fuel could not be traced to the fuel register in the form of an S3 card, daily petrol or oil issues and vehicles work tickets, no documents were available on how the contractor was identified and only payment voucher no.336 was available for audit.

Irregular procurement: involves over-invoicing, simulated tenders, or not following laid procurement rules, thus leading to the diversion of funds for personal gain. For instance, The County Government of Embu in 2014/15 audit report awarded a firm a contract worth Kshs.102,600,000 on 23 December 2014 to supply 1,080 plastic water tanks of 12,000 litres at Kshs.95,000 each for distribution to the County's public institutions. However, the firm was the second-lowest evaluated bidder. At the same time, the firm, which was the lowest evaluated bidder and also a manufacturer of the item, would have supplied the same tanks at Ksh.92,500 per tank. No good reason was given for not awarding the tender to the lowest evaluated bidder who would have resulted in the saving of Kshs.2,700,000. Further, the signed contract did not have a common seal of an attorney, an advocate, or the County's legal officer, including the contract period. Also, no distribution list was made available to show how the 1,080 tanks would be shared among the 650 public institutions in Embu County. Further, the budget allocation for the item was only Kshs.80,000,000, leading to an over expenditure of Kshs.22,600,000 contrary to Section 26(3)(a) of the Public Procurement and Disposal Act, 2005. In the circumstances, it has not been possible to ascertain that the Kshs.102,600,000 was appropriately expended and that the County got value for money.

Pending bills: arise from failure to pay for goods or services supplied to the county after more than 90 days. This irregularity forces the County to mandatorily allocate funds to offset such bills in the next financial year, thus distorting budgetary allocations. In some situations, pending bills

have been simulated to include expenses that were not incurred. As the government works on an annual basis, forcing a rollover to the next year violates the law. The County Executive of Nyandarua, through the Ministry of Agriculture, Livestock and Fisheries procured goods and services totaling Kshs.27, 524,840 in the month of June 2014. On 30th June 2014, the Ministry had paid out Kshs.16, 611,750 to various suppliers leaving outstanding bills of Kshs.10, 913,090.

Uncompleted or stalled projects: are projects that are started and abandoned or not finished on time, hence no value for public money. In the 2015/16 financial year audit report, the Kisumu County executive paid a contractor to construct a dispensary block at Nyakoko Dispensary at a contract sum of Kshs.5, 773,190. However, the following observations were made: A physical verification of the project on 02/09/2015 and from the examination of the documents availed revealed that the contractor had carried out the work up to the window level. The contractor was not on-site during the day of physical verification (02/09/15), and no work appeared to be ongoing even though a sum of Kshs.1, 638,480 had been paid. In the circumstances, the propriety of the expenditure on Nyakoko dispensary totaling Ksh. 1, 638,480 could not be ascertained.

This section illustrates the Senate PAC summons of the Governor and their work of clearing audit queries or recommending further actions as depicted in the pictorial below of Bomet county government.



REPUBLIC OF KENYA
THE SENATE

TWELFTH PARLIAMENT - SECOND SESSION

REPORT OF THE SENATE SESSIONAL COMMITTEE ON COUNTY PUBLIC
ACCOUNTS AND INVESTMENTS ON THE INQUIRY INTO THE FINANCIAL
OPERATIONS OF-

BOMET, BUNGOMA, GARISSA, ISIOLO, KITUI, LAMU, MAKUENI, MANDERA,
MARSABIT, MERU, MOMBASA, NYAMIRA, TAITA TAVETA, UASIN GISHU,
VIHIGA, WAJIR COUNTY EXECUTIVES FOR THE FINANCIAL YEAR 2013/2014
(1ST JULY, 2013 TO 30TH JUNE, 2014)

VOLUME II

CLERK'S CHAMBERS
THE SENATE

BOMET COUNTY EXECUTIVE

The Governor of Bomet, Hon. Isaac Rutto, appeared before the Committee on Tuesday 26th September, Tuesday 11th October and Wednesday 19th October, 2016. The Committee considered the audit queries against the Governor's responses and made recommendations accordingly.

2.3 Un-surrendered Revenue Collection Books

Examination of the Counterfoil Receipt Book Register (CRBR) revealed that miscellaneous revenue collection books issued for revenue collection had not been returned or accounted for promptly. Sixty books with receipts of undetermined value issued to revenue collection officers had not been returned or accounted for after use by 30 June 2014 as detailed in Appendices 5A and 5B. Further, it was not possible to confirm to whom some books were issued as the issue register was not properly maintained. The column indicating the person issued and the date books were issued was not completed. In addition, revenue collectors were issued with new books before the ones issued earlier had been surrendered.

Management Response-

1. that the County's CRBR did not indicate books returned since some receipt books were not ticked off though they had been surrendered;
2. That this was due to shortage of staff and our CRBR was not properly maintained;
3. That after updating the CRBR it was noted that all receipt books had been returned and all revenues collected thereon properly accounted for.

Committee Observations

The Committee that noted the Auditor General had verified the evidence submitted.

Committee Recommendation

The Committee having considered and deliberated on the audit query notes that the Auditor General had verified the evidence submitted and on the advice of the Auditor, the Committee recommends that the matter be cleared.

Table 2A1: Table 6: Governor's trust, corruption and performance outcomes - full sample

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
Post news	-0.226*** (0.068)	-0.228*** (0.077)	0.009 (0.083)	0.008 (0.081)	-0.151* (0.083)	-0.156* (0.088)
Constant	0.527*** (0.019)	0.538*** (0.072)	0.486*** (0.023)	0.361*** (0.061)	0.617*** (0.023)	0.606*** (0.069)
R.sq	0.129	0.141	0.066	0.074	0.129	0.136
Obs	1406	1406	1287	1287	1406	1406
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Post-news takes value of 1 if the respondent was interviewed within 15 days after the release of corruption news, and 0 otherwise. Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, district, day and month of information release fixed effects. Sample includes respondents whose counties never resolved the audit queries. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2A2: Table 6: Governor's trust, corruption and performance outcomes -full sample

	(1)	(2)	(3)	(4)	(5)	(6)
	Trust	Trust	Corrupt	Corrupt	Perform	Perform
-11 to -15 days	0.064 (0.124)	0.092 (0.126)	0.177* (0.101)	0.180* (0.102)	0.080 (0.122)	0.061 (0.124)
-6 to -10 days	-0.644** (0.304)	-0.610* (0.309)	-0.182 (0.121)	-0.236** (0.116)	-0.531*** (0.156)	-0.537*** (0.169)
-1 to -5 days	-0.092** (0.041)	-0.098** (0.048)	-0.010 (0.043)	-0.007 (0.042)	-0.050 (0.098)	-0.048 (0.107)
1 to 5 days	-0.294*** (0.077)	-0.308*** (0.086)	-0.043 (0.085)	-0.030 (0.083)	-0.219 (0.137)	-0.210 (0.152)
6 to 10 days	-0.223** (0.088)	-0.212** (0.102)	-0.354*** (0.103)	-0.295*** (0.096)	-0.320** (0.142)	-0.282* (0.160)
11 to 15 days	-0.212 (0.198)	-0.189 (0.196)	0.059 (0.116)	0.057 (0.133)	-0.052 (0.288)	-0.076 (0.307)
Constant	0.610*** (0.039)	0.603*** (0.078)	0.545*** (0.034)	0.419*** (0.065)	0.702*** (0.068)	0.679*** (0.107)
R.sq	0.134	0.145	0.069	0.076	0.131	0.139
Obs	1406	1406	1287	1287	1406	1406
Controls	No	Yes	No	Yes	No	Yes
Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Controls include major ethnicity, age, urban area, education, gender, public goods, and news sources i.e. radio, TV, newspapers, internet, and social media. Cluster-robust standard errors in parenthesis are clustered at the county level with county, day and month of information release fixed effects. Sample includes respondents whose counties never resolved the audit queries. Significance levels at * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 2A3: Counties action on audit queries through the PAC

Resolved audit query before election	Resolved audit query after election	Never resolved audit query
Bungoma	Baringo	Busia
Elgeyo Marakwet	Bomet	Nairobi
Kericho	Embu	Nyandarua
Kilifi	Garissa	Samburu
Lamu	Homa Bay	Tharaka Nithi
Makueni	Isiolo	
Mandera	Kajiado	
Marsabit	Kakamega	
Mombasa	Kiambu	
Nakuru	Kirinyaga	
Nandi	Kisii	
Narok	Kisumu	
Tana River	Kitui	
Trans Nzoia	Kwale	
Uasin Gishu	Laikipia	
Vihiga	Machakos	
Wajir	Meru	
West Pokot	Migori	
	Murang'a	
	Nyamira	
	Nyeri	
	Siaya	
	Taita Taveta	
	Turkana	
N. 18	24	5

Table 3A1: Ethnic animosity under PEV

	Appeal allowed			Defendant Acquitted		
	Pre-PEV	Post-PEV	Diff	Pre-PEV	Post-PEV	Diff
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	-0.003 (0.147)	0.453*** (0.136)	0.014	0.048 (0.073)	0.267 (0.202)	0.274
Kikuyu Judge × Luo defendant	-0.001 (0.024)	0.068 (0.278)	0.943	0.128* (0.072)	-0.139 (0.344)	0.327
Kalenjin Judge × Kikuyu defendant	0.446*** (0.012)	0.006 (0.021)	0.050	0.288*** (0.056)	0.122*** (0.028)	0.619
Kalenjin Judge × Kalenjin defendant	0.462*** (0.011)	0.129*** (0.042)	0.235	0.404*** (0.045)	0.395*** (0.029)	0.990
Kalenjin Judge × Luo defendant	0.503*** (0.037)	-0.794*** (0.116)	0.000	0.490*** (0.079)	-0.511*** (0.118)	0.012
Luo Judge × Kikuyu defendant	-0.035 (0.233)	0.043 (0.174)	0.787	-0.115 (0.255)	0.251** (0.094)	0.039
Luo Judge × Kalenjin defendant	0.177 (0.242)	0.115 (0.127)	0.694	-0.263 (0.262)	0.329** (0.126)	0.083
Luo Judge × Luo defendant	0.010 (0.200)	0.056 (0.221)	0.635	-0.295 (0.284)	0.265 (0.158)	0.232
Constant	0.492*** (0.046)	0.516*** (0.067)		0.422*** (0.053)	0.306*** (0.047)	
R.sq.	0.210	0.185		0.204	0.202	
Obs.	384	432		384	432.000	
Fixed Effects	Y	Y		Y	Y	

Notes: OLS results where the dependent variable is whether criminal appeal was allowed and whether the defendant was acquitted. The Pre-PEV sample includes cases ruled from January 2003 to February, 2007 before the PEV. Post-PEV sample includes cases ruled after December 2007 to February, 2012 before judicial reforms under new constitution. Columns 3 and 6 presents p-values of difference in coefficients between Columns 1 and 2 and Columns 4 and 5 respectively. All estimations control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3A2: Bias – Ethnic animosity under PEV

	Appeal allowed			Defendant Acquitted		
	Pre-bias	Post-bias	Overtime bias	Pre-bias	Post-bias	Overtime bias
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	-0.003 (0.147)	0.453*** (0.136)	0.434*** (0.131)	0.000 (0.068)	0.239 (0.213)	0.239 (0.207)
Kikuyu Judge × Luo defendant	-0.001 (0.024)	0.068 (0.278)	0.035 (0.257)	0.171** (0.066)	-0.338 (0.338)	-0.167 (0.328)
Kalenjin Judge × Kikuyu defendant	-0.018* (0.009)	-0.076 (0.079)	-0.094 (0.073)	-0.107*** (0.011)	-0.095 (0.059)	-0.202*** (0.053)
Kalenjin Judge × Kalenjin defendant	0.462*** (0.011)	0.129*** (0.042)	0.161* (0.084)	0.375** (0.138)	0.002 (0.198)	0.377*** (0.076)
Kalenjin Judge × Luo defendant	-0.067*** (0.019)	0.775*** (0.103)	0.708*** (0.116)	-0.195*** (0.032)	0.723*** (0.136)	0.528*** (0.158)
Luo Judge × Kikuyu defendant	-0.186 (0.147)	0.136 (0.181)	-0.050 (0.083)	0.070 (0.259)	-0.122 (0.265)	-0.051 (0.078)
Luo Judge × Kalenjin defendant	-0.172** (0.081)	0.136 (0.160)	-0.037 (0.129)	0.133* (0.074)	-0.182 (0.147)	-0.049 (0.121)
Luo Judge × Luo defendant	0.010 (0.200)	0.056 (0.221)	0.016 (0.322)	-0.134 (0.308)	0.353 (0.288)	0.157 (0.345)
Fixed Effects	Y	Y	Y	Y	Y	Y

Notes: Bias calculated from pooled pre and post period data estimations that control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Standard errors in parenthesis clustered at the judge level. Significance level: *p<0.10, ** p< 0.05, ***p< 0.01.

Table 3A3: Bias – Ethnic animosity under judicial reforms balanced panel

	Appeal allowed			Defendant Acquitted		
	Pre-bias	Post-bias	Overtime bias	Pre-bias	Post-bias	Overtime bias
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu Judge × Kalenjin defendant	0.258 (0.203)	-0.329 (0.206)	-0.071 (0.057)	0.232 (0.227)	-0.258 (0.233)	-0.026 (0.055)
Kikuyu Judge × Luo defendant	0.111 (0.225)	0.041 (0.221)	0.151** (0.068)	-0.206 (0.273)	0.337 (0.273)	0.131* (0.068)
Kalenjin Judge × Kikuyu defendant	-0.025 (0.015)	-0.084 (0.092)	-0.109 (0.085)	-0.108*** (0.009)	-0.099 (0.104)	-0.207** (0.099)
Kalenjin Judge × Kalenjin defendant	0.226 (0.138)	-0.089 (0.105)	0.137 (0.127)	0.319*** (0.090)	-0.136 (0.095)	0.183 (0.150)
Kalenjin Judge × Luo defendant	0.037 (0.031)	-0.141*** (0.040)	-0.104** (0.047)	-0.063* (0.0302)	-0.017 (0.039)	-0.079 (0.048)
Luo Judge × Kikuyu defendant	-0.088 (0.081)	0.023 (0.114)	-0.066 (0.093)	-0.001 (0.097)	-0.023 (0.134)	-0.023 (0.108)
Luo Judge × Kalenjin defendant	-0.138 (0.117)	0.132 (0.163)	-0.005 (0.069)	-0.044 (0.082)	0.117 (0.137)	0.073 (0.079)
Luo Judge × Luo defendant	0.023 (0.232)	0.049 (0.201)	0.121 (0.153)	0.098 (0.198)	-0.001 (0.217)	0.141 (0.197)
Fixed Effects	Y	Y	Y	Y	Y	Y

Notes: Bias calculated from pooled pre and post period data estimations that control for judge fixed effects, criminal offense type fixed effects, and court house × case ruling year fixed effects. Standard errors in parenthesis clustered at the judge level. Sample limited to judges that ruled more than 25% of cases as well as those who ruled less than 75% of the cases for a balanced panel. Significance level: *p<0.10, ** p<0.05, ***p<0.01.

Table 3A4: Placebo test, moving judicial reforms to 2008 (Only pre-reform observations)

	Trust the courts	Unfairly treated under the law	Judges are corrupt
	(1)	(2)	(3)
Kikuyu	0.407*** (0.054)	0.616*** (0.066)	0.479*** (0.060)
Kikuyu × Post	0.101 (0.063)	-0.154** (0.070)	-0.249*** (0.050)
Kalenjin	0.415*** (0.049)	0.053 (0.045)	-0.073* (0.040)
Kalenjin × Post	-0.022 (0.054)	0.010 (0.066)	0.130 (0.080)
Luo	0.012 (0.053)	0.139*** (0.047)	0.020 (0.038)
Luo × Post	-0.054 (0.086)	-0.156* (0.080)	0.028 (0.065)
Other ethnicity	0.008 (0.033)	0.059 (0.039)	-0.011 (0.025)
Other ethnicity × Post	-0.044 (0.044)	-0.048 (0.057)	0.036 (0.050)
R.sq.	0.098	0.063	0.022
Obs.	4695	4695	4695
Controls	Y	Y	Y
Fixed Effect	Y	Y	Y

Notes: Afrobarometer round 2 & 3 used as pre-reform and round 4 as post-reform. Controls include urban residents, age, sex, public goods (water connectivity), major ethnicity, high school education, and employment status. Standard errors clustered at the district level with region, district, year and month fixed effects. Significance levels at *p<0.10, ** p< 0.05, ***p< 0.01

Table 3A5: Citizens attitudes on judicial system

	Trust the courts	Trust the courts	Unfairly treated under the law	Unfairly treated under the law	Judges are corrupt	Judges are corrupt
	(1)	(2)	(3)	(4)	(5)	(6)
Kikuyu	0.402*** (0.085)	0.900*** (0.076)	0.655*** (0.082)	0.942*** (0.060)	0.478*** (0.065)	0.925*** (0.040)
Kikuyu × Post	0.192*** (0.056)	0.074 (0.051)	-0.009 (0.063)	-0.071* (0.042)	0.032 (0.070)	0.022 (0.027)
Kalenjin	-0.191*** (0.067)	-0.110* (0.057)	0.007 (0.060)	0.005 (0.045)	0.001 (0.078)	0.021 (0.044)
Kalenjin × Post	0.246*** (0.061)	0.095 (0.060)	-0.037 (0.059)	-0.087* (0.048)	0.050 (0.055)	-0.108*** (0.037)
Luo	-0.043 (0.079)	-0.050 (0.049)	0.103* (0.060)	0.042 (0.035)	0.025 (0.063)	0.003 (0.026)
Luo × Post	-0.091 (0.085)	-0.076 (0.056)	0.033 (0.061)	-0.018 (0.042)	0.013 (0.045)	-0.039 (0.030)
Other ethnicity	-0.002 (0.048)	-0.056 (0.055)	0.094 (0.064)	0.026 (0.035)	0.001 (0.048)	-0.020 (0.031)
Other ethnicity × Post	-0.106** (0.046)	-0.031 (0.055)	0.011 (0.068)	0.039 (0.043)	0.032 (0.070)	-0.010 (0.030)
R.sq.	0.020	0.012	0.009	0.012	0.006	0.006
Obs.	3481	3481	3481	3481	3481	3481
Controls	Y	Y	Y	Y	Y	Y
Fixed Effect	Y	Y	Y	Y	Y	Y

Notes: Columns (2), (4) and (6) uses a different category of outcome variables. Trust the courts takes ‘Not at all’ as 1 and 0 otherwise (Just a little; Somewhat; and A lot). Unfairly treated under the law takes ‘Always’ as 1 and 0 otherwise (Often; Rarely; and Never). Corrupt judges and magistrates takes ‘None’ as 1 and 0 otherwise (some of them; most of them; all of them. Controls include urban residents, age, sex, public goods (water connectivity), major ethnicity, high school education, and employment status. Standard errors clustered at the district level with region, district, year and month fixed effects. Significance levels at *p<0.10, ** p< 0.05, ***p< 0.01

Table 3A6: Kenyan Ethnic names

Name	Tribe
Jonathan Kipyegon Kosgei	Kalenjin
Stella Jeptoo	Kalenjin
Hassan Kiprotich ¹⁶	Kalenjin
Peter Mwema Munyao	Kamba
Abdalla Mwendwa Musili ¹⁷	Kamba
Beatrice Nzilani Otieno ¹⁸	Kamba
Joseph Waweru Kamau	Kikuyu
Simon Kariuki Kihika	Kikuyu
Susan Akinyi Mbugua ¹⁹	Kikuyu
Vitalis Oduor Odungo	Luo
Jacob Odhiambo Otieno	Luo
Joseph Omar Owino	Luo
Evans Wamalwa Simiyu	Luhya
Elisha Mambonga Wanyama	Luhya
Erick Barasa Makokha	Luhya
David Kenani Maraga	Kisii
Eliud Momanyi	Kisii
Mary Moraa	Kisii
Dammar Musa Ali	Other ethnicity (ethnic minority)
Hafswa Mohamoud Abdalla	Other ethnicity (ethnic minority)
Everil Elaine Tracey	Other ethnicity (ethnic minority)

¹⁶ Adopting an Islamic name

¹⁷ Ibid.

¹⁸ Example of intermarriage (between Kamba and Luo)

¹⁹ Ibid. (between Luo and Kikuyu)