

Information Manipulation and Reform in Authoritarian Regimes

Jidong Chen (Rochester), Yiqing Xu (MIT)

ISNIE

20 June 2015 / Harvard University

Information Manipulation and Reform

Apart from repression, authoritarian governments commonly use two strategies to stay in power

- 1 Making policy concessions (reform)
- 2 Manipulating information (propaganda, censorship)

Information Manipulation and Reform

Willingness to make concessions

- Sack corrupt government officials
- Respond to popular needs

No hesitation when manipulating information

- Active online censorship
- Fierce control of the media

Research Question

How can an authoritarian state *interactively* use reform and information control to achieve its goal of staying in power?

Main Results

- The government policy choices of policies and information manipulation are related
- Lack of credibility hurts the government (in the form of citizens' collective action)
- A more able government is less likely to lie, but ironically, citizens are thus more likely to believe in the government's lies

Related Literature

- **Role of information control in authoritarian regimes**
(e.g., Gehlbach and Sonin 2014; Egorov, Guriev and Sonin, 2015)

We provide a logic that links policy adjustment with information disclosure

- **Analysis of censorship**
(e.g., Besley and Prat, 2006; Shadmehr and Bernhardt, 2015)

“Soft information” so the government can lie; no explicit cost of lying

- ① Motivation
- ② Model
- ③ Results
- ④ Conclusion

- ① Motivation
- ② Model
- ③ Results
- ④ Conclusion

Preferences Over Policies

- 1 government, 2 citizens
- 2 policy options: the status quo Q , reform R with cost μ
- Each citizen is *discontent* about Q with probability p
- Preferences privately known
- Citizens' individual and collective protest hurt the government
- Successful collective action brings citizens policy benefits

Timing

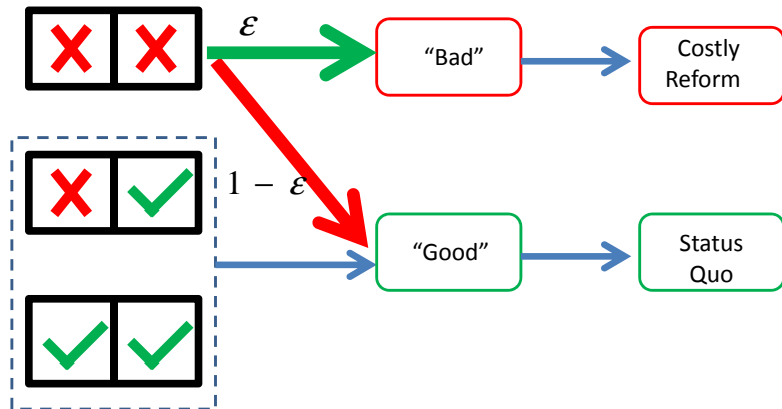
- ① Nature selects each citizen's type (social fundamental)
- ② The government receives a signal of the social fundamental
- ③ The government chooses (1) policy and (2) information to release
- ④ Citizens decide whether to join collective action

Citizens' incentives to join the collective action depend on:

- The government's chosen policy
- Belief in the other citizen's probability of protest

The Government's Strategies

ϵ : degree of responsiveness; $1 - \epsilon$: degree of info. manipulation



- ① Motivation
- ② Model
- ③ Results**
- ④ Conclusion

Proposition 1: Two Types of Equilibria

- (1) **(Babbling equilibrium)**: When the cost to reform μ is prohibitively high, the government
 - always lies
 - never reforms

- (2) **(Partially informative equilibrium)**: When the cost to reform μ is relatively low, or there is sufficiently credible threat from citizens (i.e., p is high), the government:
 - keeps the status quo in “good” times
 - sometimes reform when the time is “bad”

Moreover...

Corollary: Degree of responsiveness is

- Increase in the p , the probability that citizens strictly prefer R
- Decrease in μ , the cost of reform

Extension: Institutionalization

- When the government is able to commit to a set of rules, it chooses *partial* policy responsiveness and *partial* information disclosure

- ① Motivation
- ② Model
- ③ Results
- ④ Conclusion

Conclusion

- **The ability to delivery good policies matters:**
Ability to adjust policies $\uparrow \Rightarrow$ incentive to lie \downarrow
- **Government credibility matters:**
The more the government lies, the less effective its propaganda, the higher chances of collective action
- **Implication:** An explanation why reform coexists with information control in authoritarian regimes

Related Work

- 1 Why do authoritarian governments allow citizens to speak publicly (Chen and Xu 2015)
- 2 What are the sources of authoritarian responsiveness (Chen, Pan and Xu 2015)
- 3 Who complains in urban and rural China (Tsai and Xu 2015)

Thank you!