

“Do Voters Fail to Reward Politicians For Natural Disaster Preparedness? Evidence from US House Elections.”

Democratic representation may set perverse incentives when policies enacted with popular support are detrimental to citizens' interests. An influential study by Healy and Malhotra<sup>1</sup> suggests that American voters reward incumbent presidents for natural disaster relief but do not seem to reward them for disaster prevention, even though every dollar spent on preparedness saves \$15 in relief spending on average. The benefits of disaster preparedness are diffuse and uncertain, but the immediate costs for taxpayers can be significant. Thus, it might seem puzzling that lawmakers seeking reelection spend any money on preparedness. However, major programs such as the Biggert-Waters Flood Insurance Reform Act of 2012 are enacted with bipartisan support.

In my project, I investigate whether the electoral connection between voters and lawmakers can set incentives for adopting welfare-improving policies. Voters may hold representatives accountable for the failure to invest in disaster preparedness, provided that their shirking behavior is visible. Moreover, the policymaking process in Congress may create selective incentives for members to claim credit for them.

The study begins by reanalyzing Healy and Malhotra's county-level panel of disaster damage, preparedness and relief spending, and voting data for 1988-2004. It extends the analysis by including House election results and more fine-grained data on floods for that period.

Results show that House members do not get credit for disaster relief spending. This is consistent with the notion that relief spending is primarily an executive decision in response to emergencies. The analysis suggests that House members receive some electoral credit for flood preparedness spending in their district, but the effect is small in magnitude. On average, incumbents need to increase federal flood preparedness spending by \$20,000,000 per county to gain 1 percentage point of the vote. In most cases, this would be too high a price to pay to win an election.

While this study indicates that electoral accountability sets weak incentives for investments in natural disaster preparedness most of the time, it also suggests avenues for further research. Members from districts that are regularly exposed to natural disasters such as floods or earthquakes may be more likely to receive credit for preparedness spending from their constituents. Moreover, investments in public goods may be more likely to swing elections when the timing is right. There may be a window of opportunity immediately after disasters happened to enact preparedness legislation.

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<sup>1</sup> Healy, A., & Malhotra, N. (2009). Myopic voters and natural disaster policy. *American Political Science Review*, 103(03), 387-406.