

Candidates promise big changes. Voters believe it when outsiders say it.

By Theo Wayt

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Two political economists have proposed a novel theoretical mechanism for understanding the appeal of outsider candidates, adding a valuable new approach to the rapidly growing body of scholarship around recent populist electoral victories.

Syracuse University economists Devashish Mitra and Leyla D. Karakas contended that while current approaches to understanding populism take candidates' policy promises at face value, researchers have missed voters' views of the "commitment ability" of candidates, meaning their perceived dedication to pushing aside establishment pressures and actually fulfilling their promises once in office.

The researchers presented their findings in a November 2020 [paper](#) in *Games & Economic Behavior*.

"During times of distress, economic distress, inequality and so on, that's when you want big changes and candidates try to promise big changes," said Mitra in an interview with *The Academic Times*. "But the establishment candidate is constrained by people not believing that candidate, right? They don't think changes

are going to be likely because there are all these Washington bureaucrats and all kinds of other institutions that limit that candidate.”

Intrigued by the victories of outsider candidates like Donald Trump in the U.S. and Jair Bolsonaro in Brazil, Mitra and Karakas created a theoretical formula that they said accounts for candidates’ perceived commitment ability, as well as positions on income taxes and hot-button cultural issues like gun control. The formula showed that higher income inequality led to polarization, benefiting the outsider candidate with more commitment ability, the researchers said.

Mitra emphasized that the commitment ability concept measured voters’ perceptions of whether candidates planned to fulfill their campaign promises once in office, not whether they actually followed through after being sworn in. He said Donald Trump’s recent defeat in the 2020 presidential election could show that Trump disappointed voters by failing to implement some policies he promised during the campaign, such as creating jobs through infrastructure spending.

“This is not about what happens in the end. Our model is about what gets promised and in response to that how people vote,” he said. “Trump winning one term and not winning a second term is totally consistent within our model.”

Mitra and Karakas said that their paper provides a theoretical framework to interpret recent empirical studies

on the causes of support of populist and outsider candidates.

For example, a 2017 Brookings [paper](#) by a group of French researchers established a relationship between unemployment and voting for populist parties. And last year, an American Economic Association working [paper](#) by several U.S. and European researchers showed evidence that moderate incumbent members of Congress were more likely to be unseated by extreme challengers in districts that had lost manufacturing jobs due to globalization. Two Peterson Institute scholars in 2018 [showed](#) a similar dynamic at work in regions of the U.K. that supported Brexit.

“If you have higher inequality, then the electorate is more receptive to a populist,” said Mitra.

Other theoretical models analyzing populism have focused on factors such as race and voters’ cultural views. Mitra said his theory is intended to complement, rather than replace, those models.

“It’s not like our model is right and the other models are not right. Each model is trying to focus on a particular channel,” he said. “Our paper doesn’t talk about class cleavages or ethnic and racial cleavages.”

Most of Mitra’s other work has focused on the economics and political economy of trade, while Karakas studies political economy and teaches microeconomic theory. Observing populist upheavals like Brexit, the election of

Trump in the U.S., the strong performance of nativist candidate Marine Le Pen in France in 2017 and the 2018 election of Bolsonaro in Brazil, the two colleagues had a series of discussions through which they developed the idea for a paper examining “commitment ability.” They worked on the paper for several years, completing it last year.

Mitra said that Karakas’ knowledge of microeconomics helped immensely with the technical parts of the paper.

“She’s a lot better than me on the technical aspects of things,” he said.

Mitra is originally from India and is a frequent [commentator](#) on Indian economics and politics. Yet the paper he co-authored with Karakas did not mention Indian Prime Minister Narendra Modi, who is frequently painted as a populist in the vein of Trump or Bolsonaro in media reports.

Asked about the omission, Mitra said that his theoretical model does not apply to Modi because he was not an outsider candidate, having served for over a decade as chief executive of India’s Gujarat state prior to running for prime minister. Modi was also helped by the weakness of the incumbent party, the Indian National Congress, he added.

“Modi is a lot more complicated because he’s taken advantage of the fact that the other party has been weakened over time and the other party was basically a

dynasty,” Mitra said. “I cannot relate Modi’s rise to this model. He is a populist, but he is a different kind of populist.”

Mitra, who is also co-editor of the journal *Economics & Politics*, added that he has forthcoming work focusing on environmentalism and immigration.

*The paper, titled “Inequality, redistribution and the rise of outsider candidates,” was published in the November 2020 issue of *Games & Economic Behavior*. Devashish Mitra and Leyla D. Karakas, both of Syracuse University, were co-authors. Karakas was lead author.*