# The Distributive Politics of Enforcement:
## Evidence from Street Vending in Urban Latin America

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Why do some politicians tolerate the violation of the law? In contexts where the poor are the primary violators of property laws, I argue that the answer lies in the electoral costs of enforcement: enforcement can decrease support from poor voters even while it generates support among nonpoor voters. Using an original dataset on unlicensed street vending and enforcement operations at the subcity district level in three Latin American capital cities, I show that the combination of voter demographics and electoral rules explains enforcement patterns. Supported by qualitative interviews, these findings suggest how the intentional non-enforcement of law, or forbearance, can be an electoral strategy. Dominant theories based on state capacity poorly explain the results.

In much of the developing world, a source of resources for the poor is the ability to violate property laws without state sanction. Squatters gain rent-free housing if their takings succeed. Street vendors secure a way to earn a living when the government ignores their unlicensed stands. The idea that enforcement has distributive consequences is not new. Yet the conventional wisdom is that weak enforcement reflects a weak state unable to implement its laws due to budget constraints or principal-agent problems (Dimitrov 2009; Geddes 1994; Grzymala-Busse 2007; Lipsky 1980; North 1990; O'Donnell 1999).

In contrast, this article argues that non-enforcement of law is often intentional—what I call *forbearance*—and explains why some governments tolerate violations of the law by the poor and others do not. The argument is simple: the poor prefer less enforcement than the nonpoor for material and sociotropic reasons. Enforcement decreases electoral support from poor constituents even while it generates votes from among the nonpoor. The salience of these electoral costs should vary with the share of poor voters in an electoral district and the extent of political competition. Electoral districts can group together either the poor or the nonpoor due to residential segregation, which causes class groups to become more or less useful to win elections. In majority poor districts, politicians refrain from enforcement to provide informal social welfare and signal their commitment to poor voters at the expense of the nonpoor. Politicians enforce in nonpoor districts and, if their winning coalition excludes the poor, in districts that mix class groups. An intuitive distributive logic thus provides greater leverage to understand enforcement (and its absence) than dominant capacity-based approaches.

Focusing on variation in enforcement against unlicensed street vendors at the city and subcity level, this article tests this electoral theory in two ways. I first examine time series data on enforcement in a city that constitutes a single, mixed-income electoral district, Bogotá, Colombia. I show that city mayors who draw their electoral support from the nonpoor conduct almost five times more enforcement operations against street vendors than mayors who represent the poor. Second, I collect original data on enforcement operations and unlicensed street vending in a sample of 89 subcity units, or districts, in three cities. I select cities that vary in their electoral structure: Lima, Peru and Santiago, Chile are politically decentralized cities, meaning that residents elect a local mayor for their district, while Bogotá is a politically centralized city, meaning that residents elect a city mayor who appoints administrators for their district. Empirically, I expect enforcement to vary with district poverty in cities that hold local elections, as in Lima and Santiago, and not to respond to demographics in cities that centrally determine enforcement policy, as in Bogotá. I find that, holding fixed the district budget and other key covariates, a poor district does 78 and 73 percent fewer enforcement operations per vendor than a nonpoor one in Lima and Santiago, respectively. Poverty has no effect on enforcement across districts in Bogotá. Hence, only when politicians need to pursue poor voters to win elections does enforcement respond to class preferences.

The politics of enforcement merit attention because they shape how social welfare provision works in low and middle-income countries. Consider a rough estimate of informal transfers to unlicensed street vendors. In Lima, the government effectively provides an annual subsidy of $1560 per street vendor when it permits a vendor to

occupy busy streets and to forgo paying rent.[1] By contrast, one of the largest social programs in the city, Glass of Milk (*Vaso de Leche*), transfers $115 per poor family each year.[2] The calculation suggests that informal transfers through forbearance dwarf formal transfers per capita by an order of magnitude. Nonetheless, most scholars equate welfare provision with government social expenditures and assume the main axis of political competition is tax-based redistribution, as in advanced democracies (Haggard and Kaufman 2008; Huber and Stephens 2012; Mares 2005; Segura-Ubiergo 2007). In documenting a different, but no less deliberate, way that governments aid the poor in pursuit of political support, this article sheds light on the distinctive foundations of targeted redistribution in developing democracies.

The theoretical contribution of this article is to link, and thereby advance, the literatures on enforcement and distributive politics. On the one hand, numerous scholars have noted the gap between written law and lived norms in developing countries (Helmke and Levitsky 2006; O'Donnell 1999; Villegas 2009; Weyland 2002). Much scholarship offers little more than "state weakness" by way of explanation, or views weak enforcement as the result of "extractive" state officials who lack institutional checks on their behavior (Acemoglu and Robinson 2012; Firmin-Sellers 1995; Frye 2004). On the

[1] Street vendors in Lima, Peru report that they pay an average of $130 in monthly rent when evicted from city sidewalks. I use rent payments, given that vendors often report earning less in formal stands, as a lower bound estimate of the vendors' willingness to pay to sell on city streets. This calculation translates into a total subsidy of $187 million annually to 117,000 illegal vendors.

[2] The 2011 annual budget is $33 million for 287,000 families.

other hand, one of the most important distributive puzzles is why the poor have failed to "soak" the rich as expected after democratization (Acemoglu and Robinson 2005; Boix 2003; Meltzer and Richard 1981). Latin America is the most unequal region in the world, even after two decades of stable democracy. Governments still spend less, and less on the poor, than counterparts in developed economies (Diaz-Cayeros and Magaloni 2009; Gasparini and Lustig 2011). This article proposes that tolerance of property law violations can act as a substitute form of redistribution, helping explain both why certain laws go unenforced and why government social policies to aid the poor lag.

**Empirical Setting**

Street vendors exemplify the gap between law and reality in Latin American cities. On paper, cities ban street vendors or restrict their operation to specific hours, zones, and products. In practice, street vendors proliferate.

Street vending encompasses two different activities. First, there are vendors who walk around offering goods and services. Itinerant vendors tend not to concern governments because they circulate and sell on a small scale. Second, there are vendors who sell merchandise or services from a fixed point in public space. These are the focus of this article. They violate property laws by usurping public space for private use. In their most invasive form, stationary vendors build "shops" on streets or sidewalks. A fifth of unlicensed vendors have permanent structures in Lima, but far fewer do in Bogotá and Santiago (Roever and Aliaga Linares 2008). More common are stationary vendors

who install carts, tables, or blankets for daily use. While incomes vary, the majority of vendors are poor and their earnings fall below the minimum wage.[3]

Stationary vendors cause a host of negative externalities, including problems with transit, urban planning, noise, garbage, and public health and safety risks. Some vendors also sell goods that compete with licensed businesses. For instance, one study estimates that street vendors in Bogotá reduce commercial sales and employment by 14 and 16 percent, respectively (Rocha, Sánchez, and García 2009).

In general, when governments do try to control street vending, they use strategies to make it unprofitable to work as a vendor. The police impose fines, confiscate merchandise and equipment, and dismantle stands to deter vendors. While the police control vending at the street level, politicians receive the blame and credit for enforcement. Street market clearances are salient events because they occur in the public view and they require political authorization. A third of Lima residents, for example, believe that the recovery of the city center from street vendors in the late 1990s was "the greatest public works project of past decades," beating out highway construction, infrastructure in squatter settlements, and a public water park (IOP 2008). Enforcement, of course, is not the only policy option to manage street vendors, but it is an essential complement to alternatives like licensing, relocation, and small business promotion.

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[3] In Bogotá, 78 percent of street vendors earn below minimum wage, and 95 percent earn below two minimum wages (Encuesta de Calidad de Vida 2009). A 2007 household survey in Lima shows that 46 percent earn under minimum wage, and 50 percent earn between one and two minimum wages (Encuesta Nacional de Hogares 2007). No similar statistics are available for Santiago.

The cities studied here are all Latin American capital cities with substantial numbers of street vendors. The capitals are roughly the same size—Santiago has 7.2 million residents, Bogotá has 8.8 million, and Lima has 9.4 million. There are around 53,000 unlicensed street vendors in metropolitan Santiago, compared to 74,000 in Bogotá and 117,000 in Lima.[4] The number of street vendors is particularly surprising in Santiago, given that Chile boasts one of the region's strongest economies and poverty reduction programs.

While many cities struggle to manage street vending, these cities are selected because they have different electoral structures for exogenous reasons. Prior to the 1990s, Latin American mayors were appointees of national civilian and military rulers. The return of democracy led to a push for local participatory institutions. The degree of urban decentralization pursued depended on political calculations about the desirability of strong city mayors (Dietz and Myers 2002). In the context of urban politics, political centralization refers to reforms that invest power in a single elected mayor, who often rivals the president in recognition. Political decentralization entails the creation of sub-city electoral districts and the division of power among local mayors.

Local and city issues, not political parties, dominate urban elections. The issues in past mayoral debates in Bogotá, for example, were housing policy, public transportation, clean government, and street vending. The personal "brands" and media appeals of city mayors also distinguish candidates (Pasotti 2009). In contrast, district elections are low-information environments that politicians jokingly refer to as "contests for the best neighbor." Common campaign issues range from public service delivery,

[4] Author's calculations, see Supporting Information for details.

such as schools and health clinics, to local management issues, such as garbage collection, stray dogs, and street vendors. Several institutional features do promote electoral accountability at the district level in Lima and Santiago. In particular, voting is compulsory, which reduces the concern that only special interest groups participate and dominate local politics (Bardhan and Mookherjee 2000). Mayors are elected by simple plurality rules and reelection is permitted so voters can in theory identify and sanction politicians who perform poorly (unlike Cleary (2007)).

**Theory**

Enforcement is costly. But most models of enforcement assume that the costs are financial: governments need to muster the police, lawyers, and bureaucrats to implement their regulations. My argument is that there also are electoral costs, and that these can be powerful constraints on the behavior of elected officials. Here, I only consider property law violations where the marginal utility declines with income, such as squatting, street vending or electricity line theft.

The electoral consequences of enforcement differ by class on theoretical and empirical grounds. The poor are more likely than the nonpoor to support forbearance for material reasons. While less tangible than pavement or sewer pipes, forbearance nevertheless can be a local public good coveted by the poor, who without it may not secure access to basic goods and services. Some poor constituents gain directly if they engage in an offense. Others gain an indirect benefit of insurance against an income shock, or consumption benefits from cheaper goods. Conversely, the middle class suffers negative externalities from forbearance. They can experience direct losses, such as higher electricity prices or outages when politicians tolerate illegal electricity

connections. They also lose access to public goods like sidewalks and conservation land that the poor appropriate for private use. Although the poor may share the loss of public goods, they also receive countervailing benefits that outweigh the diffuse costs.

The poor also may support politicians who forbear on group-based grounds. Group effects are important because those who violate laws are rarely the median voter. In my sample, for instance, street vendors are a maximum of 8 percent of the electorate. But models of distributive politics often assume that voters reward politicians for targeting resources at their group (Cox and McCubbins 1986; Dixit and Londregan 1996). Poor voters may expect politicians who forbear to privilege their distributive needs in other policy areas. Furthermore, as social psychology models suggest, people empathize more with those in their social networks and behave politically to avoid social sanctions (Fowler and Kam 2007; Sears and Funk 1991; Sinclair 2012). The poor may defend community members faced with enforcement. Flipping the logic, the middle class are more likely to interpret forbearance as a negative indication about the quality of government as a whole, and are less likely to identify with the poor's distributive claims. Hence, poor voters should reward, and nonpoor voters should punish, politicians who rely on forbearance.

This expectation is consistent with direct individual-level evidence of the relationship between class and approval of property law violations. In Bogotá, while 48 percent of poor residents approve of unlicensed street vending, only 5 percent of upper class residents approve (García Sánchez 2011). In Lima, 16 percent of the poor said that they would not reelect a mayor because "he abused street vendors," but no upper class respondents agreed with the statement (APOYO 2002). Other property law violations by

the poor show similar class patterns. Gibson (2008) finds that 83 percent of black South Africans, who tend to be poor, view squatter evictions as unfair, while only 40 percent of whites assert that evictions are unfair. Survey data from the AmericasBarometer show that income and education predict attitudes toward land invasions across Latin America (Holland 2011). Thus, at the individual level, it appears that many poor voters, including those who are not personally engaged in property law violations, nonetheless have more lax enforcement preferences.

Consequently, politicians can form reasonable expectations about the electoral consequences of enforcement from voter demographics. My interviews with 69 local politicians support that district poverty is a heuristic for electoral repercussions. More than two-thirds of politicians cite the "social cost" of enforcement, meaning the removal of benefits from those who violate the law, as a motivation for forbearance in poor districts. Politicians in nonpoor districts justify enforcement due to the lesser social needs of their constituents. Moreover, politicians expect the reputational effects of enforcement to differ by district. More than a third of politicians interviewed said that they viewed enforcement as a signal of their class commitments. While enforcement indicates "anti-poor" positions in poor districts, it communicates "modern" values in nonpoor districts. A mayor in a mixed-income district captures the logic across district types:

> "Politicians use the support of street vending as a way to show that they are with the poor. But now [this district] is doing better and there's a significant group of people who want order that I brought together. I tell people that we shouldn't always be a popular district that allows people to do what they want and violate the law because

they are poor; we should invest in culture, public parks, sidewalks, and cleanliness like [wealthy districts]."[5]

The boundaries of electoral districts cause class groups to become more or less useful for office-seeking politicians. Due to residential segregation, some electoral districts overwhelmingly concentrate either the poor or the nonpoor. Others, including citywide electoral districts, mix class groups. I assume that a politician sets enforcement policy for her district and, as in classic distributive models, disregards any negative externalities imposed on other districts. In a district that is overwhelmingly nonpoor, the most viable strategy is to enforce in line with nonpoor preferences, displacing offenses to poor districts. In poor districts, politicians are more likely to forbear and attract more offenders due to their lax enforcement policies. Therefore:

*Hypothesis 1:* Enforcement increases with median income in an electoral district, all else equal.

Of course, politicians do not always follow their district's preferences, and they may have significant leeway in which policies to pursue once elected. Political competition, however, can be a powerful inducement to implement policies in line with voters' preferences. More intense political competition within democracies has been found to reduce reliance on policies of which the public disapproves (Geddes 1994; Grzymala-Busse 2007; Weitz-Shapiro 2012). Enforcement becomes possible in a broader set of circumstances when competition is muted. Appointed local administrators will be more likely to incorporate city and national enforcement preferences. Incumbency also may provide politicians with a strong reputation or access to resources

[5] Author interview with Leonor Chumbimune, Mayor, District of Santa Anita, Lima Peru, October 26, 2011.

to win voters' loyalties through other means. In the words of a local mayor, "If you stay in politics long enough, you can become bold because you don't need the vendors anymore, you don't have to count each vote, and you don't fear using force to accomplish something big."[6] Where a politician believes her security in office is assured, the votes at risk because of enforcement are less determinative of her behavior. Hence, I predict:

*Hypothesis 2:* Under circumstances of limited political competition, voter demographics should be less relevant for enforcement.

A politician's policy preferences are likely a combination of those of her district, meaning the geographic district in which she seeks office, and her constituency, meaning the class or political party that she represents. Politicians who seek to represent poor constituents may forbear when it does not jeopardize their electoral chances. In particular, some electoral districts unite diverse class groups and allow for multiple winning coalitions in which politician can prioritize constituency, rather than district, preferences. While this contrasts with the simplest median voter model, multiple coalitions are feasible assuming tweaks like probabilistic voting or multi-dimensional politics. The class group that a politician chooses to court in mixed districts can depend on her ideological beliefs or strategic calculations. Once in office, politicians incorporate the interests of the class constituency that elected them into their enforcement choices (either because they are more sympathetic to that class and pursued a coalition with them, or because they seek the group's continued electoral support). It follows:

*Hypothesis 3:* In mixed-income districts, politicians enforce more when they represent nonpoor constituents, all else equal.

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[6] Author interview with Alberto Sánchez Aizcorbe, Mayor, District of La Victoria, Lima, Peru, June 15, 2011.

Three alternatives to this theory merit attention. First, most scholarship focuses on the proximate cause of weak implementation, the bureaucracy. A rival hypothesis takes budget constraints and bureaucratic quality as determinative of enforcement. In contrast, I predict that district demographics remain a significant predictor of enforcement even in contexts of institutional strength or equal resources. A second alternative theory stresses the unequal de facto power of class groups. Middle class urban groups may capture state resources and implement policies in their favor. Even if residents in poor districts have the same enforcement preferences, state authorities may neglect them due to their lesser financial and organizational power, as documented in a variety of contexts (Bates 1981; Brinks 2007; Holston and Caldeira 1998; De Soto 1989). Then, voter demographics would predict enforcement, regardless of electoral rules. Third, theories of optimal enforcement, such as Becker (1968), hold that enforcement is targeted at areas where it has the biggest impact in reducing the illegal activity. This optimization implies that more enforcement occurs where there are more street vendors, regardless of electoral rules. The next section develops the empirical observations that support and distinguish my theory.

**Empirical Strategy and Data**

Studies of enforcement face a measurement and an identification challenge. A count of enforcement alone cannot distinguish between perfect control of a small number of offenses and limited control of numerous offenses. What we want to measure is roughly enforcement effort, where forbearance implies limited effort given the magnitude of the problem. But systematic data of both enforcement and the universe of offenses (the "denominator problem") are rarely available. Most empirical studies rely on strong

assumptions that either the underlying distribution of offenses is constant across observations or that the probability of enforcement is constant. The empirical test of the theory developed here instead relies on an original survey of district governments to develop comparable measures of both offenses and enforcement. This feature allows me to expand the number of predictions that I should observe if my theory holds.

*Empirical Strategy*

How to compare enforcement across different offense levels presents obstacles due to reverse causality. We expect enforcement to respond to the number of offenses, and we also expect the number of offenses to respond to enforcement. It is therefore natural to think of enforcement as an equilibrium between supply (enforcement as a function of offenses) and demand (offenses as a function of enforcement), as in Figure 1.[7]

In this equilibrium framework, forbearance represents an outward shift in the enforcement supply curve. The left panel of Figure 1 makes clear that a supply shift reduces enforcement and thus *increases* the number of vendors. Critically, this approach distinguishes alternative means through which a reduction in enforcement can be observed. The right panel shows that a demand shifter, such as a change in the labor market that makes street vending less attractive to unskilled workers, *decreases* the number of street vendors and thus enforcement.

[7] These relationships are depicted as linear for simplicity's sake, but the functional form is unknown (and likely non-linear because the marginal costs of enforcement increase with the number of offenses). "Prices" in this model can be thought of as the cost to the offender of violating the law.

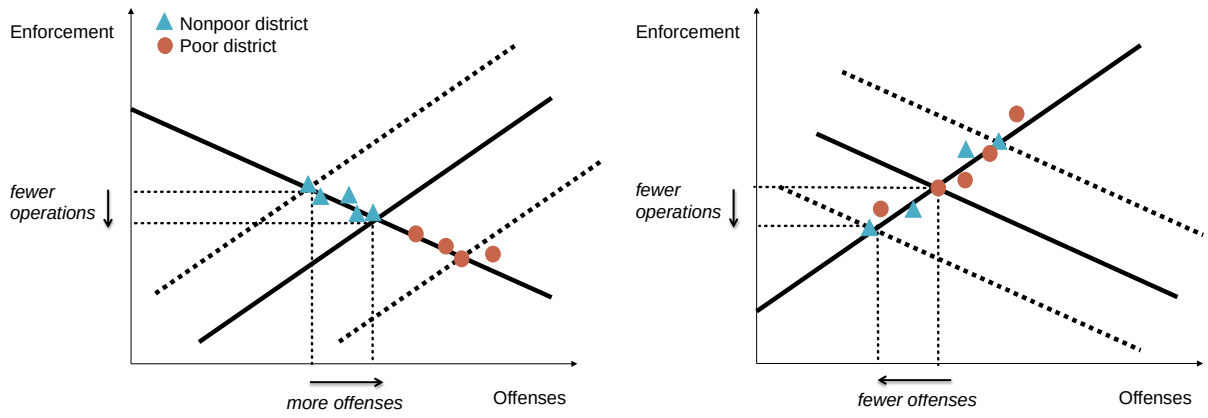


**Figure 1. Supply (Left) and Demand (Right) Shifts in the Enforcement-Offense Equilibrium**

I examine whether electoral politics leads politicians to shift the supply of enforcement by selecting cities that differ in their electoral structure. Political decentralization changes the distribution of class groups within electoral districts and the level at which enforcement policy is determined. I draw on classic accounts of local public goods provision to predict how forbearance is distributed under decentralized and centralized political systems (Besley and Coate 2003; Oates 1972).

The intuitive idea is that political decentralization produces uneven enforcement across districts, as politicians tailor enforcement to the poverty levels in their electoral district and disregard spillover effects. If the main source of variation across districts comes from differences in the supply of enforcement, then districts should trace out a downward sloping curve in the cross-sectional data, as in the left panel of Figure 1.[8] Poor districts should conduct fewer enforcement actions and have more vendors. Of course, poor districts may be less profitable commercially or differ in other ways that suppress

[8] The idea that greater supply side variance leads units to mark out the demand curve comes from Working (1927).

demand to work as a vendor. As a type of Placebo test, I compare enforcement patterns in politically centralized cities. If enforcement declines in poor districts in the absence of local electoral competition, it is disconfirming evidence of my theory.

Politically centralized cities constitute a single electoral district with a mayor who sets enforcement policy for the city. I predict that enforcement policy varies across administration depending on the mayor's class constituency and test this hypothesis in the time series data. Across space, however, I expect enforcement to vary primarily with the level of offenses in a district. In theory, a politician charged with enforcement for the entire city could differentiate enforcement levels according to heterogeneous tastes in each local district. However, the mayor internalizes both the benefits of offenses and the costs imposed on others in the city. To maximize social welfare and electoral prospects, I expect the mayor to allocate resources to achieve the maximum reduction in negative externalities across districts at the minimum cost to the people committing the offense. This process typically requires allocating resources to areas that have the highest rates of the offense so most cross-sectional variation comes from differences in the number of violations. As such, I expect a positive relationship between offenses and enforcement in politically centralized cities like in the right panel of Figure 1. District poverty should affect enforcement predominantly through street vendors' location decisions.

While bivariate correlations provide an initial test of my theory, I further examine the relationship between district poverty and enforcement using a Poisson regression and controlling for other important district characteristics. My baseline estimating equation is

$$\ln(y_i) = \beta_0 + \beta_1(poor_i) + \beta_2(vendors_i) + \beta_3 X_i + \varepsilon$$

where $y_i$ is the count of enforcement operations and $X_i$ are the control variables in district $i$. I frame the predictions and results in terms of changes in enforcement operations because my focus is on the factors that shape enforcement, although symmetric predictions can be made about the number of offenses.

My first hypothesis is that enforcement operations drop off with the fraction of poor residents in an electoral district. So, district poverty should be a negative and significant predictor of enforcement in politically decentralized cities. Turning to politically centralized cities, poverty should have no relationship with the number of enforcement operations or street vendors. Given my reasoning that district poverty impacts enforcement through its electoral repercussions, I also expect proxies for perceived electoral costs to predict enforcement and reduce the coefficient on the district poverty measure in politically decentralized cities. These perceived costs should have no impact on enforcement in centralized cities.

In analyzing enforcement operations, I include the number of vendors as a covariate for the limited purpose of observing the difference depending on whether enforcement policy is locally or centrally determined. In politically centralized cities, I expect that enforcement is a function of the number of vendors resulting in a positive coefficient. But this relationship should be much attenuated or reverse in politically decentralized cities. There is no clean prediction because my theory implies strong reverse causality: districts have more vendors because they enforce less.

My second hypothesis is that competition will shape a politician's responsiveness to the electoral repercussions of enforcement. Beyond the differences across cities due to political decentralization, I look at incumbency. Political incumbents enjoy greater office

security and thus latitude to enforce in poor and mixed-income districts. The interaction between incumbency and district poverty should be positive and significant if less competition makes politicians discount the electoral costs among poor voters.

I test my third hypothesis that the winning class coalition shapes enforcement in mixed-income districts in two ways. In the time series data, I expect less enforcement by mayors who draw their support from primarily poor voters. In the cross-sectional data, it is hard to operationalize the class support of a mayor so I use partisan constituency as a proxy. The Left is often defined by its representation of a low-income constituency. On average, I expect politicians from the Right to be more likely to court nonpoor constituents and enforce property laws, particularly in mixed-income districts that permit different winning coalitions.

*Case Selection and Data*

I select city cases to vary the electoral structure. Santiago represents a highly decentralized city. Each of 34 districts (*comunas*) elects a local mayor, but no mayor exists for the whole city and many institutions remain centralized at the national level. Most importantly for this article, the National Police (*Carabineros*), under the command of the Interior Ministry, controls unlicensed street vending. Although the police have autonomy to conduct operations on their own initiative, they rarely do so. The informal norm is that police remove unlicensed street vendors on the request of the local mayor. Bogotá, in contrast, is a politically centralized city. Citizens elect a city mayor who appoints local administrators in each of 20 districts (*localidades*). As in Santiago, the metropolitan division of the National Police controls street vending. However, unlike Santiago, the mayor has direct control over the police force by law. Finally, Lima has

both political and police decentralization. All 43 districts (*distritos*) elect local mayors who manage their own police forces that control the use of public space. While police centralization allows me to hold constant institutional resources in Santiago and Bogotá, Lima permits a test of the alternative hypothesis that institutional capacity drives enforcement.

I first examine the impact of class constituency by analyzing patterns of enforcement over time in Bogotá. I gather statistics on the number of enforcement operations from the Colombian National Police's Public Space Unit (*Unidad del Espacio Público*). The unit has tracked operations against street vendors by administration since it was founded in 1998. I build a measure of the class gradient of support for each mayor using polling station-level data and block-level class stratifications. For tax and transfer purposes, the Colombian government classifies each household on a scale of "1", the poorest strata, to "6", the highest strata. I overlay the voting stations on the map of class stratifications and I take a weighted average of the socioeconomic groups that fall within a two-kilometer radius of the voting station. The assumptions are that people vote near their place of residence and that the aggregate voting patterns reflect underlying preferences. I assign each voting station a class average and measure the percent support for the mayor at that polling station. The class gradient represents the average change in the mayor's vote share for a unit increase in socioeconomic strata. I use taxes collected available from the District Finance Secretary (*Secretaría de Hacienda Distrital*) as a control for fiscal resources, and statistics on street vending available from household surveys by the National Administrative Department of Statistics (*Departamento Administrativo Nacional de Estadistica*, DANE).

For the cross-sectional analysis, I collected original data for all urban districts in Lima, Santiago, and Bogotá for a total of 89 districts.[9] In each district, I administered a structured survey to the director or sub-director of the district office in charge of street commerce and inspections. The interviews for the survey, as well as the collection of supporting documents, were carried out in person in 2011. Details on the survey methodology, robustness checks, and summary statistics are included in the Supporting Information.

The dependent variable is the average number of enforcement operations conducted per month by a district (*Operations*). A challenge is to determine a consistent definition of an enforcement operation. I use the involvement of the national police as a standard in Bogotá and Santiago. Because only the national police can require vendors to identify themselves, which allows authorities to impose fines and to decommission goods, police assistance implies an operation of a certain scale. The measure of an operation must be adjusted in Lima, where the district police control the use of public space. In Lima, I use the retention of merchandise and equipment from a group of vendors as the threshold for an operation because it indicates a willingness to impose costs on vendors. As one director explains, "If I apply the law as written and take away [vendors'] merchandise, I take away their work, so I don't do it."[10] I therefore ask officials how many operations the district has requested with the national police, or have

[9] I dropped rural districts, which means that the sample includes 92 percent of all city districts.

[10] Author interview with Jesus Constantini Urribarri, Director of Citizen Security and Inspections, District of Puente Piedra, Lima, Peru, June 20, 2011.

involved decommissioning merchandise, in each of the last three months. I average the monthly reports and verify the director's report with district records and police logs whenever possible.[11] The measurement difference requires caution in drawing level comparisons across cities—operations in Lima are on a smaller scale because they do not require national police involvement—so I express all results in percent terms.

I also rely on the district survey to measure the number of unlicensed street vendors in thousands (*Vendors*). I ask each director for the district's estimates and records on unlicensed vendors. In about half of cases, these records come from local vending censuses, and in the other half, they come from inspection team estimates.

The main explanatory variable of theoretical interest is the district's class composition. I follow government definitions to code the portion of lower class residents in each district (*Poor*). For tax and transfer purposes, governments classify households by socioeconomic groups. These composite measures include a broad range of indicators, such as household education levels, durable goods, employment status, pension and health affiliations, and so on. Class stratifications come closer to capturing both a household's economic level and the precariousness of this level than other poverty measures.

Given that the dominant explanation is that the budget constraint determines enforcement levels, I include the 2011 disposable district budget as a control variable (*Budget*). Population may also affect the frequency of enforcement and is included as a control (*Population*).

[11] The Supporting Information describes the checks and minor correction for seasonality.

To test my theory that enforcement turns on the electoral repercussions, I collect a proxy for political costs. I ask each district director to rank his perception of whether the mayor gains (coded as a "1") or loses (coded as a "10") electoral support if he enforces the law against street vendors (*Costs*). Admittedly, it might be the case that bureaucrats and politicians have different perceptions of the electoral consequences, or that bureaucrats do not accurately report their perceptions on a survey where the stakes are low. But local politicians rarely have poll information so they often consult bureaucrats for advice on how the community will respond to enforcement.

To operationalize competitive threats, I include an indicator variable for whether the mayor has held office for more than one period. This variable (*Incumbency*) takes on a value of "1" when the mayor has served a previous term. Reelection is frequent: in the sample, 18 mayors have served for more than one term in Lima, and 21 have done so in Santiago. The intuition is that an incumbency advantage provides mayors additional security in office and alternative strategies to win votes.

Of the cases, only Chile boasts an identifiable political spectrum to test the role of constituency in the cross-sectional data. There are three parties that form a block on the Left, the Concentration (*Concentración*) and two parties that form a coalition on the Right, the Alliance (*Alianza*). I therefore include an indicator variable (*Right*) that takes on the value of "1" if the district mayor is a member of an Alliance party, which is the case for half the districts (18). To disentangle the role of class constituency and partisan ideology, I divide the sample by district type. Partisan interests should have a stronger role in mixed-class districts under my theory. I include an indicator variable (*Mixed*) that takes on a value of "1" if the district has no majority class group and "0" if the district

**Table 1: Theoretical Hypotheses and Empirical Predictions**

| Hypothesis | Empirical Prediction |
|---|---|
| **Hypothesis 1**: Enforcement decreases with the poverty rate of an electoral district. | $\beta_{poor} < 0, \beta_{vendors\|poor} \approx 0$ in Lima and Santiago |
| **Hypothesis 2**: District demographics are less relevant under limited political competition. | $\beta_{poor\|vendors} \approx 0, \beta_{vendors} > 0$ in Bogotá<br>$\beta_{incumbent*poor} > 0$ in Lima and Santiago |
| **Hypothesis 3**: Politicians enforce more when they represent the nonpoor in mixed districts. | $\bar{E}_{poor} < \bar{E}_{nonpoor}$ in Bogotá<br>$\beta_{right*mixed} > 0$ in Santiago |
| **Alternative 1**: Enforcement decreases with resource constraints and the level of bureaucratic corruption. | $R^2_{budget} > R^2_{poor}$; $\beta_{corruption} > 0$<br>$\beta_{poor} \approx 0$ in Santiago; $\beta_{constraint} < 0$ |
| **Alternative 2**: Enforcement increases in nonpoor districts due to the strength of interest groups. | $\beta_{poor} < 0$ in all cities |
| **Alternative 3**: Politicians enforce optimally (in proportion to the number of offenses). | $\beta_{vendor} > 0$ in all cities |

Note: $\bar{E}$ refers to the expected number of enforcement operations.

has a majority of poor residents. The Right governs all upper income districts in Santiago, so I drop upper income districts from the sample due to complete collinearity.

Lastly, I conduct two additional checks to evaluate the role of institutional capacity. I ask district directors if they find that resources ("1") or political intervention ("10") is the main obstacle to enforcement (*Constraint*). If the budget is the main limitation on enforcement, then districts that cite resource constraints should enforce less than those that face political blocks. To test whether differences in bureaucratic quality explain variation, I also have officials rank if they believe that it is common ("1") or uncommon ("10") for street vendors to bribe the police (*Corruption*).

Table 1 maps my theoretical hypotheses into empirical predictions. The first column lists the hypotheses and alternatives. The second column explains how the hypotheses translate into the data.

## Results

This section examines the empirical results and evaluates the relative power of different explanations of enforcement. I first present the time series evidence from Bogotá and then turn to the cross-sectional evidence.

*Time Series Evidence*

Bogotá's recent mayors have drawn their support from divergent class groups and thus should follow different enforcement policies. To illustrate, Figure 2 plots the class gradient of support for two mayors that loosely represent the political Left. Antanas Mockus, who ran for mayor as an independent, gained almost 60 percentage points more of the vote among the wealthy (Strata 6) than the poor (Strata 1). In contrast, Luis Garzón, who represented a labor-based Left party, the Alternative Democratic Pole (*Polo Democrático Alternativa,* Polo), received the near opposite profile of support. Polls confirm that Garzón took 75 percent of the vote among the lowest two socioeconomic strata, compared to 26 percent among the uppermost strata (Gilbert 2008).

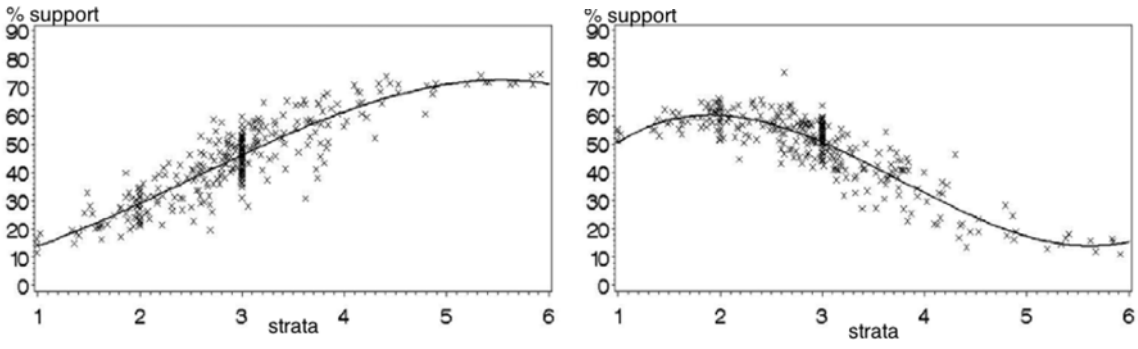


**Figure 2. Class Gradient, 2000 Election of Mockus (Left) and 2003 Election of Garzón (Right)**

A mayor's class basis of electoral support strongly correlates with enforcement. Figure 3 plots the number of enforcement operations by mayoral administration. What stands out is that operations have varied enormously over the years—Mockus did almost 3000 operations and Garzón did less than 100. The swings in policy tightly track the mayor's class constituency, as shown by the dots on the right axis in Figure 3. Mayors

who represent lower class constituents (a negative class gradient) do 4.7 times fewer enforcement operations than those that draw stronger support from the nonpoor (a positive gradient).

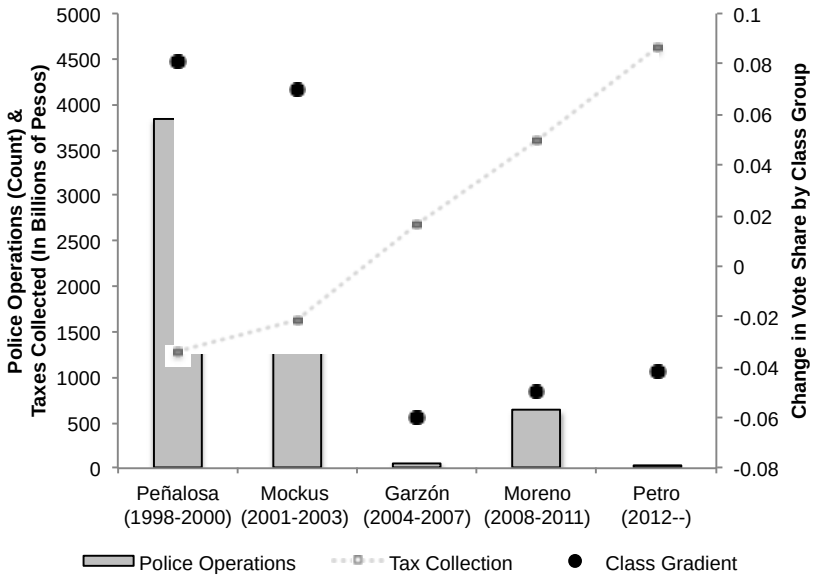


**Figure 3. Operations, Class Constituency, and Fiscal Resources in Bogotá**

The question is whether other factors, such as a change in the number of vendors, the city's resources, or the business cycle, explain enforcement trends. It is possible that mayors enforced heavily and curtailed vending, allowing subsequent mayors to conduct fewer operations. However, the number of street vendors rebounded after a decline in the late 1990s. It has fallen only slightly from 83,020 in 1996 to 79,060 in 2006 to 73,400 in 2011. Another possibility is that institutional capacity plummeted, accounting for the drop in enforcement. But the line in Figure 3 charts the secular increase in the city's budget. Fiscal capacity has improved, which would lead us to expect more, rather than

less, enforcement.[12] Similarly, business cycles cannot explain the variation because the economy has boomed in past years. Unemployment rates halved from a high of more than 20 percent in 1998 to 10 percent in 2012. The fact that street vending has not declined, despite a strengthened urban economy and city government, is consistent with the hypothesis that politicians selected different enforcement policies.

While Peñalosa and Mockus stressed middle class values like public space and cleanliness, Garzón and subsequent Polo mayors who represented the poor privileged the economic needs of street vendors. Street vendors played a significant role in Garzón's campaign. Given the previous two mayors' efforts to "clean up" the city, 30,000 vendors mobilized and marched around the slogan "Polo or the Police Stick!" (*Polo o Palo!*). Garzón prioritized the right to work and stated to the press that he intended to enforce sparingly: "We are not complicit in the illegality, but we also are not going to tell the police to repress" (El Tiempo 2004). Street vendors verify police data showing that enforcement operations plummeted. As one vending leader explained his politics to me, "Why do I support the Polo? Because the Polo is the only party that for better or worse has let us work."[13]

Prioritization of the economic needs of street vendors has continued in the Polo administration of Samuel Moreno (2008-2011) and the current Progressive Movement administration of Gustavo Petro (2011-). City councilor and Progressive spokesperson Yezid García, for instance, extolled a Progressive Movement committed to "the right to

[12] A number of other indicators like crime rates, social expenditures, and taxes collected as a fraction of GDP also confirm that the city's capacities have improved.

[13] Author interview with anonymous vending leader, Bogotá, Colombia, Sept. 20, 2011.

work for informal vendors, the suspension of evictions and arbitrary decommission of merchandise."[14] Indeed, Petro has disbanded the police unit in charge of enforcement against street vending, which makes it near impossible for the police to control unlicensed vendors.

The contrast over time is clear: mayors who draw support from the poor have stopped enforcement operations; mayors who do not depend on the poor's support have enforced to defend public space and middle class desires for a "clean" city.

*Cross-Sectional Evidence*

The finding that mayors who represent the poor enforce less also can be tested in the cross-sectional data. I first explore the bivariate relationship between enforcement and street vending in the raw data. Figure 4 reveals a negative relationship in the politically decentralized cities, Lima and Santiago, as predicted if districts do fewer enforcement operations and attract more street vendors. The opposite relationship emerges in the politically centralized case, Bogotá. Districts do more operations when they face more street vendors. The observed positive correlation between offenses and enforcement suggests that supply-side distortions are likely at work to generate a negative relationship in politically decentralized cities.

To examine the impact of district poverty, I shade each district depending on whether the plurality of residents is poor. Again, the cities follow distinct patterns based on their electoral structures. In Lima and Santiago, poor districts have more vendors and conduct fewer police operations. In Bogotá, poor districts tend to have fewer vendors,

[14] Author interview with Yezid García (quotes from his campaign flyers), City Councilor, Bogotá, Colombia, Sept. 15, 2011.

although those that do have more vendors enforce in proportion to the problem. These patterns are consistent with my electoral theory that the combination of elections and district poverty drives enforcement.

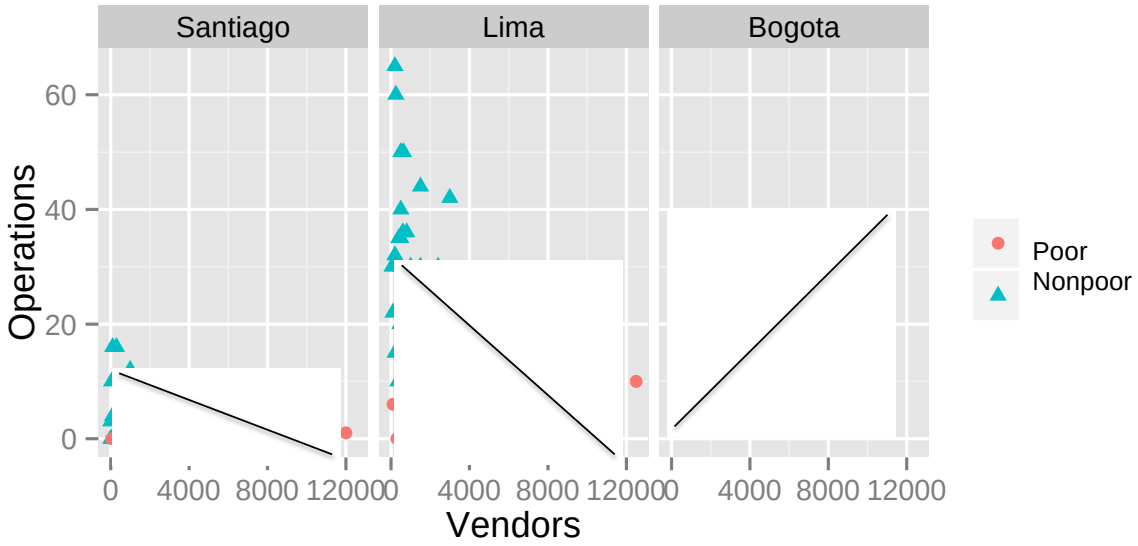


**Figure 4. Relationship between Vendors, Enforcement, and District Poverty**

I next use a Poisson regression to probe the relationships of interest. The Poisson distribution is appropriate given that enforcement is a count variable with a range restricted to positive integers. I report the Poisson regression results using the Sandwich linearized estimator of variance to relax the assumption of equal mean and variance.[15] Given the small dataset, the asymptotic standard errors are large and may be overstated if the Poisson assumptions are in fact satisfied. I therefore note where results are significant under the Poisson assumptions but lose significance with robust standard

[15] The assumption of a Poisson distribution is frequently violated by over-dispersion and/or excess zeros. I use the common Sandwich correction to allow the mean and variance to differ. The Poisson fits reasonably (the goodness-of-fit chi-squared test is not statistically significant).

errors. To make the results readily interpretable, Table 2 reports the standardized coefficients, or the average percent change in enforcement for a standard deviation change in the covariate.[16] The size of a standard deviation differs slightly by city so I describe the results for uniform covariate changes in the text.[17]

Model 1 tests and confirms the core argument. Enforcement operations drop off with the fraction of poor residents in Lima and Santiago. Moving from a typical district that is 10 percent lower class to one that is 50 percent lower class (roughly two standard deviations) reduces the number of enforcement operations by 78 and 73 percent in Lima and Santiago, respectively. District demographics have no significant impact on enforcement in Bogotá, as expected given a centrally determined enforcement policy.

In contrast, the coefficient on the number of street vendors is positive and significant in Bogotá. For a typical district, an increase of 2000 street vendors (a standard deviation) is associated with 67 percent more enforcement operations. The number of street vendors has no relationship with enforcement in Lima and Santiago. These findings are consistent with the theory that politically centralized cities determine enforcement policy primarily based on the magnitude of violations.

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[16] I standardize the coefficients and then use the Stata command `nlcom` to calculate the exponentiated coefficients and standard errors using the Delta method.

[17] The Poisson regression has an exponential structure so, for an $x$ unit change in a covariate, the percent change in the response variable is $e^{(\hat{\beta} * x)} - 1$. Due to the nonlinearity, the standardized coefficients cannot simply be multiplied to calculate the predicted changes.

**Table 2: Cross-Sectional Analysis of Enforcement: Standardized Poisson Coefficients**

| | Bogotá | | Lima | | | | Santiago | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | (2) | (1) | (2) | (3) | (4) | (1) | (2) | (3) | (4) | (5) | (6) |
| *Poor* | -0.118 | -0.175* | -0.548* | -0.455* | -0.548* | -0.582* | -0.466* | 0.119 | -0.647* | -0.653* | | |
| | (0.073) | (0.042) | (0.075) | (0.095) | (0.073) | (0.087) | (0.169) | (0.502) | (0.132) | (0.197) | | |
| *Vendors* | 0.677* | 0.692* | 0.023 | 0.063 | 0.026 | -0.001 | -0.389 | -0.274 | -0.150 | -0.151 | -0.052 | -0.052 |
| | (0.066) | (0.047) | (0.176) | (0.186) | (0.175) | (0.174) | (0.307) | (0.287) | (0.404) | (0.395) | (0.582) | (0.571) |
| *Budget* | 0.182* | 0.202* | 0.125* | 0.087* | 0.122* | 0.131* | -0.035 | 0.091 | 0.080 | 0.085 | 40.1 | 49.5 |
| | (0.076) | (0.086) | (0.037) | (0.034) | (0.044) | (0.047) | (0.226) | (0.346) | (0.232) | (0.233) | (133.4) | (168.3) |
| *Population* | 0.089 | 0.067 | 0.513 | 0.587* | 0.512 | 0.493 | 0.332 | 0.356 | 0.135 | 0.131 | -0.683 | -0.692 |
| | (0.097) | (0.051) | (0.291) | (0.282) | (0.289) | (0.289) | (0.370) | (0.381) | (0.358) | (0.359) | (0.469) | (0.458) |
| *Costs* | | 0.222* | | -0.429* | | | | -1.043 | | | | |
| | | (0.052) | | (0.198) | | | | (0.945) | | | | |
| *Incumbent* | | | | | -0.012 | -0.126 | | | -0.813* | -0.825* | | |
| | | | | | (0.151) | (0.221) | | | (0.084) | (0.197) | | |
| *Incumb.*Poor* | | | | | | 0.274 | | | | 0.052 | | |
| | | | | | | (0.143) | | | | (0.768) | | |
| *Right* | | | | | | | | | | | 7.339* | 4.304 |
| | | | | | | | | | | | (4.303) | (4.166) |
| *Mixed* | | | | | | | | | | | 0.684 | 0.205 |
| | | | | | | | | | | | (0.592) | (0.519) |
| *Right*Mixed* | | | | | | | | | | | | 0.348 |
| | | | | | | | | | | | | (0.540) |
| N | 19 | 19 | 36 | 36 | 36 | 36 | 34 | 34 | 34 | 34 | 29 | 29 |
| $R^2$ | 0.461 | 0.499 | 0.374 | 0.429 | 0.374 | 0.379 | 0.236 | 0.291 | 0.380 | 0.380 | 0.392 | 0.395 |

Notes: $*p < 0.05$; Poisson robust standard errors in parentheses; two-tailed tests. Indicator variables "Incumbent" and "Right" are not standardized for ease of interpretation.

Model 2 adds the perceived political costs of enforcement and lends some support to my electoral model. A change from the perception that the mayor gains support to the perception that she loses support from enforcement is associated with 1.7 times less enforcement in Santiago and 93 percent less enforcement in Lima.[18] The result is not robust to the Sandwich correction in Santiago, however. The coefficient on district poverty loses significance in Santiago and is attenuated in Lima, which suggests that demographics impact enforcement in part through an electoral mechanism. The results reverse in Bogotá, but they are largely meaningless given centrally determined policy.

Among the other variables of interest, the district government's budget is statistically significant and robust in the direction expected in Lima. In Lima, a $100 million (roughly one standard deviation) budget increase is associated with 13 percent more enforcement. This finding likely reflects the fact that Lima is the only city that relies on local police for enforcement. Nonetheless, even in Lima, where police decentralization means that resources should play a larger role in enforcement, district composition remains a significant and substantively more important predictor of enforcement. The budget explains just 1.5 percent of the variation in enforcement in Lima, while district poverty accounts for 31 percent. As expected, the budget is not associated with enforcement in Santiago due to a centralized police force. The district budget is significant in Bogotá, but it is a small transfer from the city government in proportion to population that reflects little about enforcement capacity.

[18] This is measured as a change from a mean perception of losing support (2.5) to a mean perception of gaining support (7.5).

Table 3 presents the results from the political variables relevant only to cities that hold district elections, Lima and Santiago. Models 3 and 4 analyze the role of political competition at the district level. The results show limited support for the proposition that incumbents gain latitude and enforce more in poor districts. Incumbency on its own has no impact on enforcement in Lima. But in a typical poor district in Lima, a mayor in a secure seat does 21 percent more enforcement than a first-term mayor. Meanwhile, an incumbent in a nonpoor district does 15 percent fewer operations than a first-term mayor.[19] These results, however, lose significance with the use of robust standard errors. Moreover, the results go the opposite direction in Santiago. Incumbent mayors do 81 percent less enforcement than new mayors and the interaction with poverty is insignificant. There is a natural confound that may explain these inconsistent findings. A mayor who dominates district politics may gain freedom and enforce, as the Lima results suggest. But a mayor also may become dominant in a district by serving his constituents' interests, as the Santiago case suggests.

Models 6 and 7 test whether the mayor's party affects enforcement in Santiago. Party has a substantial relationship with enforcement in Santiago: mayors from right-leaning parties do 7.3 times more enforcement than left-leaning mayors, even excluding the wealthiest districts that all are governed by the Right. It is worth noting that partisan ideology is likely to play a larger role in Chile than in other cases because of the electorate's continued cleavage along democratic-authoritarian lines (Torcal and Mainwaring 2003). Rooted in its opposition to military rule, the Left shies away from

[19] I define a poor district as 50 percent lower class and a nonpoor one as 10 percent lower class.

associations that brand it as repressive or unsympathetic to the popular sector's needs. The Right maintains a reputation for order. As expected, however, the effect of partisan ideology is more muted in poor districts. Having a Right-wing mayor is associated with six times less enforcement operations in poor districts than in mixed-income districts. The result is substantively significant, but not robust.

As additional probes of the alternative hypothesis that capacity explains enforcement, I examine the role of perceived resource constraints and corruption.[20] When political interference impedes enforcement, districts do 53 percent less enforcement in Santiago and 9 percent less in Lima than when districts report budget constraints. These results are not statistically significant in Lima. Similarly, perceived corruption is an insignificant predictor of enforcement. Only one bureaucrat thought that bribes are common in Bogotá, and not a single bureaucrat agreed that bribes are common in Santiago. In contrast, half of bureaucrats believe that bribes are common in Lima. Nevertheless, even in Lima perceived corruption is insignificant. It is possible that underreporting accounts for the null result. But street vendors corroborate bureaucrats' assessments: none of the 31 street vending leaders that I interviewed reported paying a bribe to the police in Santiago or Bogotá. Given wide variation in enforcement in these cities and a centralized, respected police force, corruption does not seem to be a necessary condition for forbearance.

**Conclusion**

This article asks why some politicians opt *not* to enforce the law against the poor. To answer this question, I shift the analysis away from the traditional focus on fiscal and

[20] The Supporting Information includes the results.

institutional constraints and consider enforcement's distributive effects. Forbearance toward offenses primarily committed by the poor can help a politician gain votes among the poor, but it may cost a politician support from the middle class. Under political competition, politicians forbear when they require the poor's support to win office.

This article makes a contribution in showing how we can operationalize forbearance empirically. The twin challenges of comparing enforcement effort given unknown offense levels, and separating situations when governments cannot enforce the law from those when they will not enforce it, mean that forbearance has not been documented. A focus on the city and subcity level allows me to collect a measure of both enforcement and offenses, and to use exogenous differences in electoral structure to generate distinct empirical predictions. The results are consistent with the claim that enforcement follows an electoral logic in which politicians choose enforcement levels to serve their constituents. Poverty decreases enforcement when elections occur at the local level, while having little effect on enforcement in less competitive settings. Mayors who represent poor constituents—operationalized directly through supporters' income in Bogotá and indirectly through partisanship in Santiago—enforce less despite access to the same bureaucrats and resources.

These findings contribute to theoretical debates about the sources of property law enforcement. Rather than view weak property rights as a sign of a "predatory" or "weak" state, my results suggest that limited enforcement can be a consequence of healthy electoral democracy. If the goal is uniform enforcement, then the policy implication is that the removal of political discretion over enforcement may be more important than the provision of additional resources or reforms to the bureaucracy. In highlighting the

distributive effects of enforcement, however, this article raises the question of whether greater enforcement should be the goal. Future research may explore whether forbearance can be an efficient means of targeting redistribution at the poor and, if not, why governments rely on forbearance rather than tax-based transfers.

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## Supporting Information

Table 1 presents summary statistics for all the variables. Space permitting, this table is intended for publication to assist in the interpretation of the standardized Poisson coefficients. The rest of the Supporting Information is intended for on-line publication along with the data files for replication.

**Table 1: Summary Statistics**

| | Bogotá | | | Lima | | | Santiago | | |
|---|---|---|---|---|---|---|---|---|---|
| | *mean* | *sd* | *min/max* | *mean* | *sd* | *min/max* | *mean* | *sd* | *min/max* |
| *Operations (monthly)* | 8.89 | 6.94 | 2/28 | 26.17 | 26.27 | 0/110 | 2.82 | 4.93 | 1/16 |
| *Poor (percent)* | 39.57 | 36.37 | 0.1/99.1 | 36.85 | 20.54 | 9.0/64.2 | 45.29 | 18.79 | 3.1/73.8 |
| *Vendors (thousands)* | 2.23 | 2.01 | 0.4/8 | 1.86 | 2.66 | 0/12.5 | 1.55 | 2.39 | 0/12 |
| *Budget (ten millions)* | 0.40 | 0.38 | 0.1/1.3 | 3.96 | 8.68 | 0.5/53.5 | 5.26 | 6.19 | 1.6/30 |
| *Population (ten thousands)* | 35.97 | 28.06 | 2.3/95.1 | 22.62 | 18.50 | 3.4/89.8 | 18.38 | 17.54 | 5.1/84.7 |
| *Costs* | 4.63 | 2.06 | 1/9 | 4.78 | 2.73 | 1/10 | 4.67 | 3.56 | 1/10 |
| *Incumbent* | | | | 0.50 | 0.51 | 0/1 | 0.61 | 0.49 | 0/1 |
| *Right* | | | | | | | 0.53 | 0.51 | 0/1 |
| *Constraint* | 6.79 | 3.76 | 1/10 | 5.58 | 3.12 | 1/10 | 5.85 | 3.82 | 1/10 |
| *Corruption* | 8.53 | 1.90 | 5/10 | 5.25 | 3.34 | 1/10 | 9.62 | 1.04 | 5/10 |

### *Data Construction*

The district government survey involved an in-person interview with the director or sub-director of the office in charge of street vending in each district. The precise office depends on the district's administrative structure. Rather than seek an office with a specific title, the selection criterion is the office that manages operations against street vending. In more than 80 percent of cases, a local commerce or inspections office is in charge. The exceptions are districts that have a special office for street commerce, or that group vending in an economic "rents" office. The author and/or a trained research

assistant from a local university conducted all interviews. The structured survey lasted 30 minutes, although conversations with officials often continued for up to two hours.

The sample does not include districts that are classified as more than 75 percent rural or have populations of under 5000. This means that the sample excludes Sumapaz in Bogotá, and Ancón, Pucusana, Punta Hermosa, Punta Negra, San Bartolo, and Santa Rosa in Lima.

Translated versions of the questions employed are included here. For the variable *Operations,* I tweaked the question (and definition of an operation) to account for the fact that Santiago and Bogotá rely on national police forces, while Lima uses local police forces. The questions used are as follows:

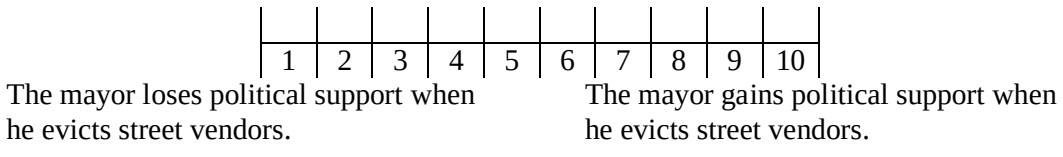
*Operations (Santiago and Bogotá):* How many times has the district requested the assistance of the National Police to conduct an operation to control unlicensed street vending in each of the last three months?

*Operations (Lima):* How many times has the district decommissioned merchandise or equipment from a group of vendors to control unlicensed street vending in each of the last three months?

*Vendors (all cities):* How many unlicensed street vendors has the district counted in its last census or inspections?

While questions about enforcement operations and the number of street vendors are straightforward, the survey included several questions that asked directors about their perceptions. I asked bureaucrats to choose between contrasting question pairs to minimize confirmation bias. The questions used in the article are as follows:

*Costs*




*Constraint*

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

The lack of resources is the biggest obstacle to the control of street vending.

Political interference is the biggest obstacle to the control of street vending.

*Corruption*

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

It is common that street vendors pay the police to remain in the streets.

It is uncommon that street vendors pay the police to remain in the streets.

*Data Verification*

To verify the enforcement operations reported, I consulted district and city documents. About a sixth of districts log their activities, and all districts in Bogotá report their operations to the District Comptroller (*Personería*). When information on operations was available for more than three months, I averaged the number of monthly enforcement operations over up to a year to create a more consistent indicator of a district's behavior. I omit the month of December, however, because most districts do fewer enforcement operations around the Christmas holiday. For the places that I have the full year data, I ran a regression on the full sample using seasonal dummies and did not find seasonal effects after accounting for the winter holiday.

To check the district government estimates of unlicensed street vending, I verified the data against government and university censuses. In Bogotá, I checked the district estimates against the 2010 database of street vendors that registered with the city's agency that attempts to relocate street vendors, the Institute of the Social Economy (*Instituto para la Economía Social*, IPES). The IPES, a government institute, only registered 42,238 vendors in Bogotá in 2010, but it likely undercounts vendors by requiring them to register. There is little reason to believe that the undercounting varies

systematically by district. The correlation in sources is 0.922, and my results are unchanged using the IPES data. In Santiago, my estimate of the number of street vendors is very similar to the 47,595 unlicensed vendors numbers counted in a 2010 census by the Pontifical Catholic University of Chile and the Ministry of Transportation. The correlation with district government estimates is 0.906, and my regression results are unchanged. No systematic survey or census exists in Lima to verify the district estimates. The ENAHO 2007 Survey in Lima puts the number of street vendors at 282,837, but this household survey counts all informal workers in the public space and therefore cannot be treated as comparable data.

Socioeconomic classifications are based on government typologies. Chile and Peru rank households from Class A, the highest, to Class E, the lowest. Following the government's classifications, I code the lower class as Classes D and E, which constitute 45 percent of the population in Santiago and 44 percent in Lima. Colombia ranks socioeconomic strata on a scale of 1 to 6. The lower class comprises Strata 1 and 2, which represent 44 percent of Bogotá's population. Class stratifications by district for 2010 are available from the Bogotá Administrative Department for District Planning (DAPD)'s Stratification and Monitoring Area, and from the polling companies Adimark in Chile and Apeim in Peru. As a robustness check, I also use an alternative measure of poverty, the proportion of households in a district with an unsatisfied basic need. Given that individuals with an unmet basic need are universally classified as lower class in government stratifications, the two class measures are highly correlated at the district level—0.874 in Bogotá, 0.774 in Lima, and 0.881 in Santiago. The use of the alternative poverty specification does not produce statistically different results.

Budgets are available from Bogotá's District Auditor (*Veerduría Distrital*), Chile's National System of Municipal Information (*Sistema Nacional de Información Municipal*, SINIM), and Peru's Ministry of Economics and Finance (*Ministerio de Economía y Finanzas*). For Bogotá, polling station level data comes from the Electoral Observation Mission (*Misión de Observación Electoral,* MOE). For Santiago and Lima, the mayor's time in office (and party for Santiago) are compiled from district government websites and electoral authorities. In Peru, I use records from the National Office of Electoral Processes (*Oficina Nacional de Procesos Electorales*, OMPE). In Chile, I use data from the Electoral Service (*Servicio Electoral*, Servel) and consider the mayor in power during the 2008-2011 term. I test an alternative measure of competition by calculating the margin of victory as the vote share of the winning candidate over his closest competitor in Santiago, and find the same results. However, this measure is not available for Lima so I only report the incumbency results.

*Additional Results and Models*

Table 2 reports the results from two additional variables, *Constraint* and *Corruption,* to test the alternative hypothesis that resources explain enforcement.

A negative binomial is another logical distribution for count data that does not have the Poisson's strong assumption of equal mean and variance. Table 3 shows that the core results (unstandardized coefficients) from the negative binomial regression are similar to the reported Poisson results.

**Table 2: Additional Cross-Sectional Standardized Coefficients**

| | Lima | | Santiago | |
|---|---|---|---|---|
| | (1) | (2) | (1) | (2) |
| *Poor* | -0.549* | -0.532* | -0.553* | -0.455* |
| | (0.074) | (0.071) | (0.188) | (0.173) |
| *Vendors* | 0.007 | 0.009 | -0.419 | -0.381 |
| | (0.177) | (0.196) | (0.377) | (0.262) |
| *Budget* | 0.131* | 0.116* | -0.095 | -0.050 |
| | (0.041) | (0.045) | (0.157) | (0.224) |
| *Population* | 0.509 | 0.548 | 0.377 | 0.431 |
| | (0.291) | (0.348) | (0.438) | (0.429) |
| *Constraint* | -0.062 | | -0.435* | |
| | (0.123) | | (0.135) | |
| *Corruption* | | 0.069 | | 0.250 |
| | | (0.148) | | (0.274) |
| N | 36 | 36 | 34 | 34 |
| $R^2$ | 0.377 | 0.376 | 0.360 | 0.361 |

**Table 3: Negative Binomial Regression Results**

| | Bogotá | | Lima | | Santiago | |
|---|---|---|---|---|---|---|
| | (1) | (2) | (1) | (2) | (1) | (2) |
| *Poor* | -0.003 | -0.005* | -0.054* | -0.039* | -0.048* | -0.005 |
| | (0.002) | (0.001) | (0.009) | (0.008) | (0.025) | (0.021) |
| *Vendors* | 0.257* | 0.261* | -0.025 | -0.002 | -0.189 | -0.085 |
| | (0.019) | (0.014) | (0.088) | (0.070) | (0.152) | (0.132) |
| *Budget* | 0.441* | 0.486* | 0.011* | 0.005 | -0.014 | 0.013 |
| | (0.171) | (0.189) | (0.005) | (0.005) | (0.042) | (0.039) |
| *Population* | 0.003 | 0.002 | 0.033* | 0.035* | 0.022 | 0.036 |
| | (0.003) | (0.002) | (0.013) | (0.011) | (0.019) | (0.029) |
| *Costs* | | 0.122* | | -0.185* | | -0.441* |
| | | (0.032) | | (0.525) | | (0.119) |
| N | 19 | 19 | 36 | 36 | 34 | 34 |