

The Effect of Legislative Misalignment on the Representation of Constituency Interests

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Abstract :

We study how the correction of imperfect information in the legislature affects the representation of constituency interests. While belief-updating ideally is expected to result in re-optimization by market actors, the effect on elite behaviour is less clear. This is because MPs pay a reputation cost when altering their policy stands, which could result in them abstaining from re-aligning with their districts when they receive new information about their constituencies' preferences. Using a difference-in-differences setup and the Brexit referendum as a natural experiment that educates MPs about their constituencies' leaning, we find that MPs who unexpectedly learn that they are misaligned with their districts (receive a negative information shock) avoid issues on which they are misaligned, relative to aligned MPs. They also speak less about their constituency but more about immigration. Our results show how MPs use populism to avoid drawing attention to issues where there is a mismatch between voters and the legislature.