Electoral Observation and the Promotion of Democracy:

Wishful Thinking or a Reality?

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It is assumed that electoral observation missions (EOM) are designed to promote improvements in democratic quality by overseeing the electoral process. However, recent academic debates show that this is not always the case. For example, it has been suggested that the presence of international monitors triggers opposition strategies to boycott the election. Our paper asks a related, yet unaddressed question; does the presence of EOMs improve the chances of the opposition in the electoral competition? We argue that the presence of EOMs ties the hands of incumbents, who have to adjust their electoral misconduct strategies, thus making it more likely that the opposition will do well. Using a dataset with information on the presence of EOMs we find that this is indeed the case.

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Introduction

In the last decades, monitoring elections has become a norm for some political regimes (Hyde 2011a). It is generally assumed that electoral observation missions (EOM) are designed to promote improvements in democratic quality by overseeing the electoral process. However, recent academic debates show that this is not always the case. For example, it has been suggested that the presence of international monitors triggers opposition strategies to boycott the election (Beaulieu and Hyde 2009). Some experiments have shown that the presence of monitors deters parties to engage in electoral fraud (Hyde 2007), while Kelley claims that election monitoring results in better quality elections (Kelley 2012).

However, it is unclear whether monitoring elections has any impact on the competitiveness of elections, arguably the most important element of an election. If competitive elections serve as mechanisms to approximate the ideal of self-government (Przeworski 2010), focusing on which elections can be lost might be useful to understand the political dynamics of some regimes (Hyde and Marinov 2012). In particular, we are interested in investigating whether the presence of EOMs affect or not the electoral showing of opposition parties. If so, do EOMs alter the probability that the incumbent will lose the elections and, consequently, increase the likelihood of observing a transition of power?

In this article, we argue that incumbents face a trade-off when inviting an EOM. The presence of an EOM comes with various benefits, such as increasing their international reputation, that can in turn boost the level of foreign direct investment, or attract international aid. However, by allowing a particular organization to monitor the election, incumbents are forced to reveal how they conduct elections and may find themselves criticized if their practices are not up to the monitors’ standards. Receiving a negative verdict from an EOM is not desirable
by any incumbent and may hurt their legitimacy, both domestically and internationally. Thus incumbents have to weigh in the costs and benefits of inviting an EOM and decide accordingly.

Importantly, the decision to invite an EOM has repercussions for the conduct of elections and by extension to their competitiveness. The presence of an EOM conditions the strategies of incumbents, by increasing the costs of using tools of electoral misconduct. This in turn opens up the political space for the opposition and increases the likelihood that they will perform better in the elections. Our expectations are that the presence of EOM should have a positive effect on both the electoral showing of the opposition, as well as on alternations of power.

To test our argument, we use a novel dataset, combining information on EOM with electoral outcomes. We focus on electoral regimes holding multiparty elections that are not long-lasting democracies. The data covers the period from 1975 to 2008 and includes information on 111 countries from all over the world. Our preliminary findings indicate that the presence of monitors does affect the electoral outcome, by substantially reducing the margin of victory between the incumbent and the oppositions. We interpret this as an indication that under the presence of international observers, incumbents may be more reluctant to engage in electoral misconduct and, as a result of that opposition forces increase their vote share.

Our paper contributes to various literatures; it is related to work exploring the conditions under which a regime becomes a full democracy (Hyde 2011b), Hyde and Marinov 2012, Boix 2011). It also links with work focusing on political competition as a necessary step to achieve self-government (Przeworski 2010) and, therefore, leads to democracy (Cheibub et al. 2010). Moreover, it speaks clearly to the vast literature on party competition and its determinants, (Duverger 1951, Cox 1994), as well as more recent work touching on the consequences of electoral fraud on electoral outcomes (Donno and Roussias 2012).
The paper is structured as follows; the first part provides a discussion of the literature; that is followed by a section presenting an account of how the invitation and presence of an EOM affects the strategies of incumbents and the chances of the opposition. The third part discusses the selection issues associated with inviting an EOM. Finally, the fourth section presents our empirical analysis and data.

*International Monitoring and Electoral Dynamics*

An expanding literature has been dealing with the causes and consequences of electoral misconduct in recent years. Scholars have documented extensively the various tools incumbents may use to distort electoral outcomes (Schedler 2002). Early research on the topic paid more attention to tools of misconduct applied on election-day, such as ballot rigging, faulty tabulations, ballot stuffing and so on (see (Lehoucq 2003). However, more recent literature has begun to pay attention to tools used during the electoral campaign as well (Donno and Roussias 2012, Ruiz-Rufino 2012). This shift reflects the importance monitoring and electoral assistance organizations attribute to violations occurring before election-day. Organizations such as IFES, the EU, or the OSCE/ODIHR conceptualize elections as a continuing process, not an isolated event, and focus their attention on "electoral cycles" (Darnolf 2011). This incorporates not only the electoral campaign and election-day events, but also the post-electoral period and the reactions to the announcement of the electoral results.

As a consequence, we are beginning to have a better understanding of the effects of electoral misconduct. Unlike what scholars used to think, misconduct is not only used to help incumbents win close elections (Lehoucq and Molina 2002; Lehoucq 2003; Cox and Kousser 1981). Incumbents may employ misconduct even in races that they expect to win, hoping to
discourage the opposition from challenging in the future (Simpser 2008). A landslide could not only deter opposition entry but also may discourage voters from supporting the opposition in future elections.

Misconduct also affects participation rates (Birch 2010), Simpser 2005) and the propensity to boycott elections (Beaulieu and Hyde 2009), Lindberg 2004; 2006). Moreover, elections in single-member districts may be more prone to manipulation, as changing only a small number of votes may tilt the electoral result (Birch 2007). Furthermore, we know that electoral misconduct is consequential for party systems; Donno and Roussias (2012) show that misconduct occurring in the pre-electoral period reduces significantly electoral competition, while election-day manipulation, despite the commonly-held belief, is an ineffective tool for incumbents. Finally, Ruiz-Rufino (2012) exhibits that pre-election harassment, a form of electoral misconduct, is more likely to occur in less proportional electoral systems.

Nevertheless, relatively little attention has been paid to the presence of monitors and the effects they may have on elections and their outcomes. Some authors argue that boycotts are influenced by the presence of international monitors, as opposition parties may decide to not participate in the elections in order not to legitimize them (Beaulieu and Hyde 2009), Hyde 2006), although some claims that this is not the case (Kelley 2011). Kelley also finds that monitoring leads to better quality elections and increases turnover (2012), while Donno (2010) finds that it may mobilize opposition forces and facilitate transitions to democracy. More directly related with our research question, Hyde finds through a field experiment that the presence of monitors in Armenia reduced the vote share of the incumbent (2011a). Finally, Kelley argues that the presence of monitors affects the behavior of incumbents by raising the costs of cheating and facilitates protest actions by the opposition (2012). In the next section we use some of the
intuitions from this literature, to present a theoretical account that links the presence of monitors with the behavior of incumbents and the competitiveness of elections.

*Tradeoffs associated with EOMs*

Incumbents, whether in young democracies or in contested authoritarian regimes, may worry about the legitimation of their regimes. International legitimacy is important since it conditions the supply of various forms of benefits for developing countries. International aid, foreign direct investment and membership in transnational organization are often linked with various kinds of conditionalities. Protection of human rights, respect of civil liberties, fairness of elections are common requirements for entering organizations such as the European Union (EU), the Organization of American States (OAS) and so on. Respecting the rule of law is important for trade partners that wish to undertake significant investments and worry about property rights. Overall, the level of democracy of developing countries is becoming increasingly relevant for their international transactions, both politically and economically.

One of the most clear quality tests a state may receive comes in the form of international observation missions. EOMs can offer a stamp of approval on regimes that hold multiparty elections if they issue a positive verdict regarding the quality of the elections. It should come as little surprise then that EOMs have become omnipresent in the last three decades, particularly in non-established democracies. Several international organizations have formed bodies that deal specifically with observing elections, such as the EU, the OSCE, the OAS, the Carter Center, ECOWAS and many others. The spread of EOMs has become so extensive that EOMs have become an international norm (Hyde 2011a). Incumbents holding elections are expected to invite
them, otherwise they risk having their elections branded as manipulated. \(^1\) In effect, Hyde (2011a) claims that the decision to not invite (or allow the presence of) an EOM in elections is considered as equivalent to admitting manipulating the electoral race.

However, inviting an EOM is not an obvious decision for incumbents. EOMs goals are to make sure that elections are conducted in a free and fair fashion. They often issue negative reports about the quality of elections that may be detrimental for incumbents. Inviting an EOM is therefore not a costless action, assuming that incumbents do not wish to be branded as cheaters. Hence, the decision to invite an EOM is a difficult one, as incumbents need to consider the potential of receiving a negative verdict and its repercussions.

The possible costs of a negative EOM report are numerous. First of all there may be external sanctions, including the withholding of economic aid or the freezing of trade. Some "softer", non-tangible effects may be even more harmful; condemnation of regimes by important international leaders strips their legitimacy and weakens their position domestically. Opposition parties may use negative reports by EOMs to appeal the results of elections and stir up protests, seeking political gains. The events following the 2004 presidential election in Ukraine, where the verdict of international EOMs spurred demonstrations that led to a repeat election eventually ousting the incumbent highlight some of the dangers associated with the presence of international EOMs. Incumbents are well aware of the potential dangers accompanied by the presence of an EOM and take them into consideration when deciding whether to invite them.

*Incumbents, Electoral Misconduct & the Decision to Invite an EOM*

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\(^1\) It is important to note that EOMs have to be invited by the host nation holding elections, and accept the invitation, for an electoral observation mission to take place.
In this section we present a theoretical model that analyzes the decisions of incumbents with respect to elections. We assume that incumbents seek re-election; we also assume that receiving a positive verdict from an EOM is a desirable good for them, associated with the benefits mentioned above. By extension, no incumbent would prefer a negative to a positive EOM verdict, although some incumbents may be more averse than others to a lack of an endorsement.\(^2\) Our final assumption is that incumbents will consider employing tools of electoral misconduct in their quest for re-election. It is important to clarify that we focus our analysis on political regimes holding elections where political competition is either incipient or not well-established. This excludes long-lasting democracies where elections are typically of high quality\(^3\) and EOMs are rarely invited.\(^4\)

Before we begin we need to define electoral misconduct. Following Donno and Roussias (2012), we define *electoral misconduct* as any actions intended to bias the electoral outcome in favor of the incumbent. Note that according to this definition misconduct is based on actions and their intent from the part of the incumbent, not their actual effect. The term electoral misconduct is an encompassing one, covering an extensive variety of tools. It incorporates actions occurring both in the pre-electoral period as well as during and after the election-day. Some of the possible tools available for incumbents include intimidation of the opposition candidates and voters, unfair registration obstacles for opposition parties, control of the media, abuse of state resources, tampered voter registration lists, multiple voting, ballot stuffing, and faulty counting. (Hyde 2008)

\(^2\) We can think of incumbents as aligned along a continuum of exposure to international pressure, ranging from no exposure to very high levels of it (along the lines of "linkage" a la Levitsky and Way (2011)).

\(^3\) The example of problematic elections, like the 2000 US one, serve as an exception.

\(^4\) However, some established democracies invite EOMs. For example, all members of the OSCE are expected to receive an EOM mission from the OSCE. For established democracies, these missions are focused more on technical issues (party finances, for example) than on monitoring the election.
We can now analyze the incumbents' decisions; Figure 1 plots a tree with the various choices incumbents have to make. There are two relevant decisions for them; they have to decide whether to invite an EOM to monitor the elections, and whether to engage in electoral misconduct. With elections approaching, incumbents have to decide whether to invite an EOM or not. The timing of that decision often overlaps with the choice to engage in electoral misconduct. For the sake of simplicity we depict the choice to invite an EOM as preceding that to engage in electoral manipulation, but as the discussion shows these choices are interrelated and often simultaneous.5

[Figure 1 here]

Incumbents' decision to invite an EOM comes with a tradeoff; inviting an EOM can increase their legitimacy if they receive a positive report; however, it also involves the risk of receiving a negative report. This is especially pertinent for incumbents considering to use misconduct to bias the electoral outcome to their favor. Inviting an EOM for incumbents wishing to cheat implies assuming the risk of having their actions revealed by the EOM and suffering the costs that follow a negative report.

Some incumbents choose not to take that risk, and do not invite international observers to monitor their elections. For such leaders the importance of winning elections is paramount and using misconduct in order to secure victory weighs more than validating their regime. Alternatively, some incumbents may have less to gain from international legitimation and thus see no benefit in inviting an EOM. The decision to not invite an EOM is costly however; it is

5 There are scenarios where an incumbent changes his/her strategy with respect to committing electoral manipulation after the arrival of an EOM, in light of their ability to unmask any such actions.
perceived as equivalent to committing electoral manipulation and it is followed by damning statements from international bodies and leaders.

Nevertheless, the majority of incumbents desires the presence of an EOM and extend invitations. Once they invite an EOM, they have several choices with respect to their election-related strategies. For some incumbents misconduct is not in their menu of choices (what some call "true democrats"); for those, inviting an EOM should be a dominant strategy, as they would stand to reap the benefits without suffering any of the costs of a negative report. However, many incumbents do consider using misconduct. Among those, some value the potential benefits associated with inviting an EOM very highly in that they will not risk getting caught cheating; such incumbents will abandon any misconduct practices once they decide to invite an EOM.

Nonetheless, among those inviting an EOM, some incumbents are not willing to risk losing elections. These rulers will not abandon the use of misconduct and hope that their cheating will go unnoticed. While this is a risky strategy, incumbents sometimes get away with it for various reasons. Observation missions have a difficult task; they often arrive late in the electoral cycle and may miss pre-electoral manipulation that could have already conditioned the electoral result. Even if an EOM arrives early, the amount of local knowledge and resources it has conditions its ability to identify electoral manipulation. It is important to keep in mind that EOMs, for various political and other reasons, are often reluctant to issue a negative report unless there is overwhelming evidence (Bjornlund 2004, Hartlyn and McCoy 2006, McCoy 1998).

Moreover, incumbents will try their best not to get caught. Hence, they may tweak their misconduct strategies in order to conceal them and lower the probability of a negative report. Rulers can avoid using blatant tactics, such as ballot stuffing, widespread violence, or faulty
tabulations. Instead, they can use more subtle tools, such as controlling the media flows, altering registration records or harassing the opposition. Additionally, they can focus misconduct on areas where missions are less likely to observe, such as in remote rural areas. Incumbents can also restrict the EOMs access to some regions, inhibit access to official records, suspend manipulation while monitors visit specific locations, and so on.

These choices are depicted in the first two nodes of the decision tree. Incumbents have the choice to invite or not EOMs; at the same time they have to choose to commit or not electoral misconduct. While in reality misconduct can range in degree we depict it here as a discreet choice; analytically we lose little by this simplification.\(^6\) After incumbents make their choices with respect to EOM and electoral misconduct, elections take place. If no EOMs are invited, the elections mark the end of the game, as depicted on the left branch of the tree; results reveal who won the election and a new electoral cycle begins.\(^7\)

However, in the countries where EOMs are invited there is one more node. After the results are announced the electoral observers issue a "verdict" that summarizes their evaluation of on-the-ground activities during the electoral campaign and election-day. These verdicts may sometimes underreport the presence of manipulation, due to political considerations. Nevertheless, the most important document EOMs produce is their final report, a text where they mention in detail all irregularities encountered during their observation, and what most researchers use to code the presence or not of misconduct.

We depict the overall evaluation as emerging from the analysis of the full report of EOMs in the final node in the decision tree. Observers’ reports reveal whether they believe that

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\(^6\) While we would like to have a continuous variable about the extent of electoral misconduct, it is very difficult to distinguish among degrees of misconduct with the information available from EOM reports.

\(^7\) Electoral misconduct can take the form of faulty tabulation or fabricating results. When we talk about "electoral outcomes" we refer to the results that incorporate any distortions emerging from the use of such tactics, not the "counterfactual" ones that would materialize in the absence of electoral misconduct.
misconduct was used (EM) or whether elections were free and fair (FF). Note that observers issue their final report in a world of imperfect information; they cannot be certain about the use of misconduct. Given the clandestine nature of many of the tools of misconduct, they can rarely be completely confident about their evaluations. This is especially true about elections they declare as free and fair; there is always the possibility that misconduct did occur and went unnoticed. The opposite scenario is less problematic, as observers are very careful in documenting misconduct tactics and try to avoid committing Type 1 errors, declaring an election as manipulated when in fact it was free and fair. Note that this implies that observers’ reports can only be fully informative with respect to "cheating" incumbents, but a positive verdict cannot allow us to identify with certainty "good" incumbents.

The Effect of EOMs

Having described the decisions incumbents face when calling elections, we can now move on to the main focus of the paper, the effect of EOMs. In what follows, we argue that the presence of EOMs is beneficial for opposition parties, in various ways. We expect that the presence of EOMs should lead to better electoral performance for opposition parties and higher rates of opposition victories. We identify two possible mechanisms; through the effect the presence of EOMs has on the actions of incumbents and by the impact these missions have on the opposition and its supporters.

Incumbents inviting an EOM consider the potential costs associated with a negative evaluation of the elections. Given that rulers prefer an approval on their elections, they will think about adjusting their misconduct strategies to increase the probability that they receive a positive EOM evaluation. The previous section identified several ways through which EOMs may affect
incumbent’s behavior: some may avoid using misconduct altogether, others will limit the extent of misconduct or change the tools they use, while many will attempt to conceal it. We now analyze the effects of each in turn.

The first and most drastic effect an EOM may have is to induce an abandonment of any use of misconduct. Fearing the capacity of the EOM to reveal misconduct, or confidence in an electoral victory may lead to such a decision. Regardless of the rationale dictating the incumbent’s decision, the outcome of such a choice is to increase the likelihood of a better electoral showing by the opposition. In the absence of misconduct, opposition parties can promote undistracted their platforms and conduct a more effective campaign. At the same time, opposition supporters will not be harassed and will be more likely to vote for opposition parties.

Reducing the amount of misconduct employed should provide more room for the opposition to conduct a successful campaign. Of course, the fact that misconduct will still be employed means that the playing field will not be fair; nonetheless, the opposition will have a better chance to do well. It is less clear however, what the effects of changing strategies of misconduct will be. We can assume that in general incumbents will try to minimize infractions that are more likely to be noted (such as ballot stuffing or faulty counting) and utilize more subtle tools (such as biasing the media environment). Clearly, limiting the use of blatant tools of misconduct should benefit the opposition; yet, research has exhibited that subtler tactics, like pre-election misconduct, are potent and can be beneficial for incumbents (Donno & Roussias 2012).

Attempting to conceal the use of misconduct should also benefit the opposition. Covering up misconduct is a costly and time-consuming expedition, depriving the incumbent from valuable resources that could be otherwise used either on the campaign or for more misconduct.
(Kelley 2012). For example, incumbents may divert manipulation to regions that would not be their primary target to avoid getting caught, or employ less effective tools than they would have liked to. Overall, the attempt to conceal misconduct should increase the chances of the opposition by increasing the cost of misconduct and reducing its effectiveness.

In general, inviting an international mission to observe elections should restrict the ability of incumbents to bias the electoral competition and thus increase the probability of a strong showing by the opposition. On the one hand, opposition parties should find it easier to campaign, either through gaining more media access or by facing less harassment. On the other hand, potential opposition supporters should receive more information about opposition parties and will be less likely to become victims of persecution. Overall, the improvement in the quality of the electoral competition should profit opposition parties and boost their vote shares.

Several observable implications can be derived from the above analysis, both with respect to the electoral outcome, as well as looking at the forms and extent of electoral misconduct. In the presence of EOMs we should observe an overall stronger opposition showing: opposition parties should enjoy higher vote/seat shares, reduce margins of defeat, and win elections more often. Moreover, if the presence of EOMs does alter the way incumbents behave, we should observe fewer instances and different kinds of misconduct. This prediction is difficult to test empirically, even if we had nuanced data that would allow the accurate measurement of misconduct, as it effectively demands a counterfactual experiment; comparing the tools of misconduct an incumbent would use in the presence of an EOM with what she would employ in its absence. In the empirical section we test some of the observable implications, namely those related with electoral outcomes.

One could spell out observable implications looking at the other side of the same coin, the effects on incumbents: the presence of EOMs should result in lower vote shares for the ruling party and more frequent electoral defeats.
An important clarification needs to be made here. Our argument says that the presence of an EOM will affect the use of electoral misconduct by incumbents, which will facilitate the opposition's electoral performance. A key in this hypothesized link is the amount and types of electoral misconduct used by incumbents. However, it is impossible to explicitly test for this as we lack two critical pieces of information. First, in countries were no EOMs are present, there is no way to tell whether electoral misconduct took place, or how severe it was. Second, in monitored countries, we cannot know how much electoral misconduct incumbents would have used in the absence of EOMs. The only information we have is the reports of EOMs for the countries they monitored; this would only allow us to examine the general effects of misconduct, but not whether the presence of EOMs affected either the strategies of the incumbents or the electoral showing of the opposition. We therefore do not use any variables measuring electoral misconduct in our analysis.

Selection Issues

An important empirical issue we have to address is the decision to invite an EOM. Inviting an EOM is not separated from the expectations of incumbents with respect to the outcome of the upcoming elections. Incumbents know that having an EOM monitor elections means their practices will be scrutinized and that this will hinder any attempts to manipulate the electoral outcome. Incumbents are aware of this tradeoff and factor it in their decision to invite EOMs. Rulers that are confident of their ability to win elections should be more willing to invite EOMs. Incumbents not sure about the outcome of the impending elections should be more reluctant to do so; for them, the presence of an EOM would limit the ability to manipulate the election and would increase the risk of losing power.
This means that the (anticipated) strength of the opposition will affect the decision to invite EOMs. The presence of a strong opposition party should correlate positively with the willingness of incumbents to engage in electoral misconduct. However, such rulers are the ones that run the highest risk of receiving a negative report by an EOM and would be reluctant to have them present. This creates issues with estimating the true effect of the presence of monitors on the electoral showing of the opposition. If the decision to invite monitors is related with the anticipated electoral outcome, then any estimates we would get from an empirical analysis using the presence of monitors as an independent variable would be biased.

One thing worth mentioning with respect to this selection issue has to do with the direction of bias. If it is true that incumbents facing a stronger opposition are more willing to engage in electoral misconduct and less likely to invite EOMs, then any emerging bias should be in the opposite direction of our expectations. Our theoretical predictions are that the presence of EOMs should result in a stronger showing for the opposition vis a vis elections where monitors are not invited. However, if monitors are more often invited in lopsided elections than in closely contested competitions, then one should not expect to find a positive impact on opposition vote shares from the presence of EOMs. That logic should hold even if we take into account the effects that the presence of an EOM has on the electoral showing of the opposition.

To be sure, we run a regression trying to identify any potential factors explaining why EOM are observed in some countries and not in others. In our dataset, the variable *monitors* shows whether a particular election in a given country and year was or not observed. The variable is coded as '1' when a country sent an invitation to an EOM and the invitation was accepted by an IGO/INGO organization. *Monitors* is coded '0' when either the country did not send an invitation or the invitation was not accepted by any organization. To disentangle why
EOMs are observed, we need then to understand why countries send invitations and why IGO/INGO accept them; we have, therefore, two dependent variables which are partially observed. Following previous works facing similar data issues (Poirier 1980; Abowd and Farber 1982; Przeworski and Vreeland 2000; Przeworski and Vreeland 2002), we have estimated a biprobit model with partial visibility.

As illustrated by Abowd and Farber (1982), a biprobit model with partial visibility consists of two probit equations which can be jointly estimated. In this two-stage model, the outcome of the first equation conditions the observation of the second equation (Baum 2006). Using Przeworski and Vreeland’s work as an example, for an IMF agreement to exist, the government of a country must first be willing to participate in the IMF program and then the IMF has to agree to help (2000). In our case, to observe international monitors in a particular country we need to exploit the reasons behind the country’s decision to invite an EOM, and the factors that trigger a positive response from the IGO/INGO. The presence of an EOM is thus calculated as the joint probability that a country sends an invitation to host an EOM and that an IGO/INGO sends an EOM to that particular country given the existence of a previous invitation. We calculated this model using the STATA *biprobit* command using the partial option to fit a partial observability model.

We use several economic and political variables that could explain the reasons to understand why a country decides to invite an EOM to monitor the elections. To capture political calculations we use three variables: first, *democracy* us a dummy variable following Przeworski's

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9 This is so, because we have no information about non-monitoring; i.e. we do not know when a '0' stands for not sending an invitation to an EOM or whether an invitation was sent but rejected.

10 Formally, \( \Pr(EOM = 1) = \Pr(C_i = 1 \& IGO_A = 1) = \Pr(C_i = 1) \Pr(IGO_A = 1|C_i = 1) \), where EOM indicates whether monitors are deployed in country C; \( C_i \) indicates that country C sends an invitation I to host an EOM and \( IGO_A \) indicates that an IGO (or INGO) accepts an invitation to send an EOM.
minimal conceptualization of regimes. In the absence of systematic polling data we use past landslide victory to capture the anticipated strength of the opposition; it is a dummy variable coded as 1 where the incumbent won the previous competition with more than two thirds of the vote. We also include the interaction of these two variables to account for differences among political regimes. Finally, we control for the level of violence in the year of the election. To capture the importance of economic exposure we use the lag of foreign direct investment; countries relying more on FDI should be more inclined to invite EOMs to boost their international legitimacy. We also include GDP levels (lagged) as a proxy for development; for various reasons poorer countries may be more inclined to invite EOMs.

To explain why an IGO or INGO decide to accept an invitation to send an EOM, we also use a variable, monitors (lagged), indicating whether monitors where present in the previous electoral competition. Our intuition is that previous knowledge of the country would reduce the initial costs of sending a mission. We also use regime duration, duration, the level of violence, violence, and the interaction of these two variables. We consider that for IGO/INGO, regime duration has a non-linear relationship with the probability of sending an electoral observation mission. We expect EOMs to be more likely in young than in established regimes - whether democracies or non-democracies. For this reason, we use the inverse value of regime duration. Finally, in deciding whether to send an EOM, an IGO/INGO may also take into account the level of economic development.

[Table 1 here]
Table 1 offers several intuitions about why EOMs are observed in some countries and not in others. The data shows that incumbents who won the previous election with a landslide victory in a democratic regime are more likely to invite international monitors. In non-democracies, however, the performance of incumbents is irrelevant. The fact that the previous electoral results are related with the decision to invite an EOM is consistent with our selection story. Furthermore, economic factors are also important. Higher values of FDI increase the probability of inviting EOMs and more developing economies are also more likely to ask international organizations to monitor their electoral processes. In other words, developing countries that may depend on international aid and foreign investment are more likely to invite an EOM.

What about the organizations conducting the monitoring? Why do they accept the invitations issued by some countries? The coefficients in the second column of table 1 offer a straightforward answer: path dependency matters. If a country was monitored by international organizations in the period t-1, the probability of being observed again by such organizations in period t increases. Moreover, in the absence of violence, older regimes are more likely to be observed by any type of international organizations. However, when there have been episodes of violence younger regimes are more likely to be observed by international organizations than older regimes.

*Date and Variables*

To test our arguments we compiled a dataset that combines information on electoral observation missions and electoral outcomes. We used information on monitoring from two datasets: NELDA (Hyde and Marinov 2012) and the data on International Electoral Monitoring (Kelley and Kolev 2010). We also collected our own information on electoral results, coding
specifically the showing of incumbents and opposition parties.\textsuperscript{11} We included all countries holding multiparty elections that are not established democracies.\textsuperscript{12} We focus instead our attention on new democracies, as well as dictatorships holding multiparty elections. The resulting dataset covers over 900 parliamentary and presidential elections occurring in 111 countries between 1975 and 2008.

The unit of analysis is election years; to test our hypotheses we use OLS regressions and cluster errors by country to account for the potential heteroskedasticity that the data may generate given its nature. We focus our attention on the showing of the main opposition party, which we consider as the main threat for the incumbent. It is identified as the party with the best electoral result in the election at time $t$ not belonging in the government coalition ruling the country before the election.\textsuperscript{13}

Our dependent variable, $\textit{margin}$, measures to the margin of victory of the incumbent. It is calculated by subtracting the seat share of the challenger from that of the incumbent; the variable is positive if the opposition loses the elections and negative when the opposition wins. For example, in Ghana in 1996 the incumbent president Rawlings renewed his presidential mandate by winning his NPP political opponent J. Kufour by 17.3%. However, in the presidential elections in 2000, J. Kufour was the victor and won the presidency against the NDD incumbent candidate Atta-Mills. In this case, the value of margin is -14.8 because the opposition in election $t-1$ became the election winner in election $t$.

$\textit{Monitors}$, the main independent variable, is a dichotomous variable indicating whether an EOM mission was present in a country. The data come from a combination of the NELDA and

\textsuperscript{11} Electoral information was collected through a variety of sources, including official electoral commission results, as well as data handbooks (Nohlen et al 1999, Nohlen et al 2001, Nohlen 2005, Nohlen and Stover 2010).

\textsuperscript{12} We exclude established democracies as they regularly hold elections of high quality electoral misconduct is not considered as a potential tool for incumbents.

\textsuperscript{13} We use seat, not vote, shares to identify the best opposition party.
Kelley sources. Our expectation is that the presence of monitors should reduce margins of victory, as the incumbents will find it more difficult to use manipulation tactics and the opposition should do better electorally.

We also include several control variables. Democracy, measures whether a country is a democracy or not (Cheibub et al 2010); we expect that democracies will have smaller margins of victories, as they should have higher quality elections. Type of election, indicates whether the election is parliamentary or presidential. First election, refers to whether elections were the first after the transition to democracy; the literature suggest that in transitional elections the incumbent is very strong and often wins by wide margins. Violence indicates whether there was any type of intra-country armed conflict within the electoral cycle; it is coded as 1 when conflict was present. This variable comes from the PRIO Armed Conflict Dataset. Finally, harassment, indicates whether the incumbent harassed the opposition; the presence of harassment should reduce the vote share for the opposition and thus increase margins of victory. This variable comes from the NELDA dataset. Table 2 has the descriptive information for the dataset.

[Table 2 here]

Empirical Results [preliminary]

Here we present the results of a preliminary testing of our hypothesis. Table 3 shows the different models that we have used to understand how EOMs affects the opposition’s electoral fortunes. Model 1 uses the variable Monitors to see how the presence of any electoral observation missions explains the incumbent’s margin of victory. Having an electoral observation mission in the country has a significant effect, reducing the margin of victory by 7%.
This is a substantive effect, that should however be looked at with caution, given the selection issues we discussed above. Nonetheless, to put this in context, such an effect would result in changing the electoral winner in 1 out of every 4 elections in our dataset. Taken at face value, it indicates that the presence of a monitoring organization boosts significantly the electoral chances of opposition parties, and could result in power transitions.

[Table 3 here]

Several other things are worth mentioning from Model 1. First, regime type is important; democracies have much smaller margins than dictatorships, as one would expect. Autocratic rulers, on average, win elections by a margin that is 32% wider than their democratic counterparts, an enormous difference. Second, the incumbent’s strategies to harass the opposition are effective; in the presence of harassment the margin of victory increases by 9%.

However, we need to account for the different types of organizations that conduct missions, as that may be consequential for the incentives they create to incumbents (Kelley 2012). Two types of organizations run electoral observation missions: international governmental organizations (IGOs) like the OSCE, UE, OAS and so on, and international non-governmental organizations INGOs, like the Carter Center, IFES, etc. The methodologies and working dynamics of these organizations may vary. For example, some INGOs have well developed methodologies whereas other organizations like the African Union have less elaborated working procedures. Also, an INGO may be free from some interferences or pressures coming from member states and, therefore, their capacity to declare an election as fraudulent may be easier.
To account for these differences, we introduce a variable that shows whether a) the election was not monitored (the reference category), b) the election was monitored by an international organization (IGO), c) the election was monitored by an international NGO (INGO) and d) the election was monitored by both IGOs and NGOs. As model 2 in Table 3 shows, the presence of IGOs is key for the success of opposition parties. When an IGO monitoring mission is present alone, the margins of victory are reduced by 7%, while if an INGO is also monitoring the reduction goes up to 9%; both findings are consistent with the results from Model 1 and with our hypotheses.

Since distinguishing between EOMs run by IGOs and INGOs seems to be relevant, it is interesting to test how the democratic density of international organizations may affect the electoral outcome. Following the work by Pevehouse (2002), one could expect that IGOs dominated by non-democratic country-members would be more likely to overlook some forms of electoral misconduct or be more lenient in their mission reports. To account for this possibility we created a new variable, density, which measures the percentage of member-states that are democratic for each IGO that monitored elections. For example, density equals 1 for the European Union, while the African Union ranges from 8% in the 1980s to 22.5% in the 2000s.

Model 4 in table 3 shows a regression only for the elections that were monitored by IGOs. The model includes density as well as its interaction with regime type. The idea of the interaction is that the margin of victory will depend on the joint effect of the democratic density of the IGO and whether the country monitored is a democracy. This interaction shows that if the monitored country is a democracy and the IGO is fully democratic, then, the predicted margin of

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14 We run a logistic regression where the dependent variable was the type of the statement issued by an IGO (acceptable or not) and the main independent variable was the percentage of member states that were democratic. Controlling for other variables like violence or regime type, we found that IGOs with a high number of non-democracies among their members increased the probability that the final statements declared the elections acceptable.
victory holding all other variables constant is 21%. If, however, the monitored country is a dictatorship and all the members of the IGO monitoring the country are also dictatorial, then, the predicted margin of victory holding all other variables constant is almost 50%. Both results are statistically significant and indicate that more democratic IGOs are more effective monitoring elections than less democratic ones.

Finally, using models 3, 4 and 5 one can calculate the predicted values of margins of victory and compare them to test the effect of monitoring. Model 3 uses the sample of countries where no EOMs were present; model 4 uses only the countries monitored by IGOs and model 5 focuses on countries that were monitored by INGOs. We calculated the predicted values for each of these regressions; we then compared these for countries that had some elections monitored while others were not. This way we can run a sort-of-counterfactual test about the effect of the presence of monitors in the country. To make this more clear, take the case of Zimbabwe: there were four electoral observation missions in 1980, 1985, 2000 and 2002, while the elections in 1990, 1995 and 1996 were not observed by the international community.

We use this variation to conduct two difference-in-means tests. The first one compares the predicted values of countries that did not have an EOM present with those observed by an IGO, while the second test compares them with those observed by an INGO. The results of these tests are shown in table 5 and are consistent with our previous ones. The presence of a mission, IGO or INGO on average reduces the margins of victory by 7%, a significant result. All in all, and with the caveat of the selection issue, election monitors appear to be helping opposition
parties do better in elections.

Conclusions

In this paper we propose an argument linking the presence of electoral observation missions with the competitiveness of elections. In particular, we argue that the presence of missions limits the ability of incumbents to use electoral misconduct in order to secure an electoral victory. The increased costs associated with the presence of an EOM open up the political space for opposition parties and increase their competitiveness. We conduct some preliminary tests that show that this is indeed the case. However, any results should be consumed with caution, as we have not yet dealt empirically with the selection issues associated with the decision to invite an EOM.

The next steps in this paper are moving in several directions; first, we intend to use an instrumental variables approach to deal with the decision to invite an EOM. Moreover, we will test some other observable implications, related with the electoral success of the opposition; we will use opposition victories, as well as the relative increase in the opposition's vote share as alternative indicators aiming to capture the change in appeal of the opposition. Potentially, we could also investigate whether the presence of monitors affects the decision of incumbents to step down once they lose in elections.
Bibliography


Baum, Christopher F. 2006. An introduction to modern econometrics using Stata. College Station, Texas: Stata Press.


Tables and Figures

Figure 1. Decision Tree
### Table 1. Why EOMs occur

<table>
<thead>
<tr>
<th>VARIABLES</th>
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<th>(2)</th>
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Robust standard errors clustered by countries in parentheses

*** p<0.01, ** p<0.05, * p<0.1
## Table 2. Descriptive Statistics

<table>
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Table 3. The effects of Monitors on Margins of Victory (OLS with clustered errors)

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Robust standard errors clustered by countries in parentheses

*** p<0.01, ** p<0.05, * p<0.1
Table 4. Comparison of Means

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*** p<0.01, ** p<0.05, * p<0.1