

The Democrat Disaster

Hurricane Exposure, Risk Aversion and Insurance Demand

(by Raluca L. Pahontu (Oxford))

Discussant: Michela Redoano (Warwick)

Rothermere American Institute, Oxford

Crashing out of Politics: Inequality and Representation 90 years

on

10th December 2019

Summary of the paper

- ▶ The paper study the link between Democrats voting and exposure to hurricane in US elections.
- ▶ The first finding is that the being "nearly exposed" to an hurricane reduces voter share of democrat candidates both for Senate and House elections using electoral data from 2002 to 2014.
 - ▶ This effect is large and significant, both for Senate and the House and especially for major hurricane.
 - ▶ There is reduction of incumbency effect only for democrats office holders.
 - ▶ There is no increase in religiosity.
- ▶ The second finding is that this results is due to private insurance "enquiry" which reduces risk aversion and therefore affects voting.

Comments

- ▶ The research question is very interesting.
- ▶ I enjoyed reading the paper
- ▶ Contribution to the literature that looks at exogenous shocks (natural disasters, sport victory, bereavement) to analyse voting behavior;
- ▶ previously the focus has been on voter rationality;
- ▶ This paper provide an alternative story and provide supporting evidences.

Suggestions/Questions

- ▶ Why did you exclude data on precincts hit by an hurricane?
 - ▶ It would be interesting to compare those just missing the hurricane with those just hit by the hurricane.
 - ▶ This would help you to identify the effect of insurance policy from blaming.
- ▶ Why don't you look at gubernatorial elections?
 - ▶ Presumably there is a closer link between gubernatorial /local elections and provision of local public good and services.
 - ▶ This would help you to identify the effect of insurance policy from blaming.
 - ▶ Presumably there is a closer link between gubernatorial /local elections and provision of local public good and services.
- ▶ Why don't look directly at the purchase of insurance policies at municipal level?