Salience and the Government Provision of Public Goods

Abstract
As part of larger interdisciplinary project on wildfire, this talk examines the consequences of salience for the government provision of public goods. Salience is a common behavioral bias whereby people's attention is drawn to salient features of a decision problem, leading them to overweight prominent information in subsequent judgments. We analyze the case in which the public's demand for the good is distorted by salient events and explore how salience influences public good allocation and efficiency. We test whether salience affects the distribution of government projects to reduce wildfire severity near wildland-adjacent communities. Even though the occurrence of a wildfire likely reduces the severity of future fires in the same area, it may increase the likelihood that fuels management projects are placed nearby if wildfire events strongly increase the salience of losses under future fires. We find strong evidence that the salience effects increase the likelihood of fuels management projects and use robustness checks to eliminate competing explanations for our results. Moreover, the salience effect is stronger where people are wealthier and better educated. The salience framework may also offer insights into government responses to terrorism, natural disasters, disease outbreaks, and environmental catastrophes.

Bio
Sarah Anderson is an Associate Professor at the Bren School of Environmental Science & Management at the University of California, Santa Barbara. She has three main research agendas: 1) the role of political parties in influencing policy outcomes; 2) the effect of bureaucratic delegation on policy implementation; and 3) the mobilization of the public for environmental action. Her current research focuses on how the public drives agencies' wildfire prevention and the role of moral language in politics. She serves as director of the nascent center for Social Solutions to Environmental Problems at UCSB. In addition to a Ph.D. in Political Science from Stanford University, she holds an M.S. in Economics from Stanford University and a B.S. in Political Science from the Massachusetts Institute of Technology.