

When Principled Politicians Face Unpopular Spending

Abstract

There has been a long debate about the two poles of government behaviour, benevolent vs selfish. This paper explores avenues for evaluating the chances of an office-motivated government to push for unpopular policy measures that the government would like to pursue for moral reasons (e.g. green transition, gay rights, support of Ukraine, increasing military spending in response to Russia's aggression). A Political Budget Cycle model with unpopular spending will be presented and the sensitivity of the results to pre-existing conditions explored. Possibilities for empirical tests will be discussed.