

Supplemental Materials for, “Bad Times Keep us Together: Policy Priorities and Economic Shocks”

January 17, 2024

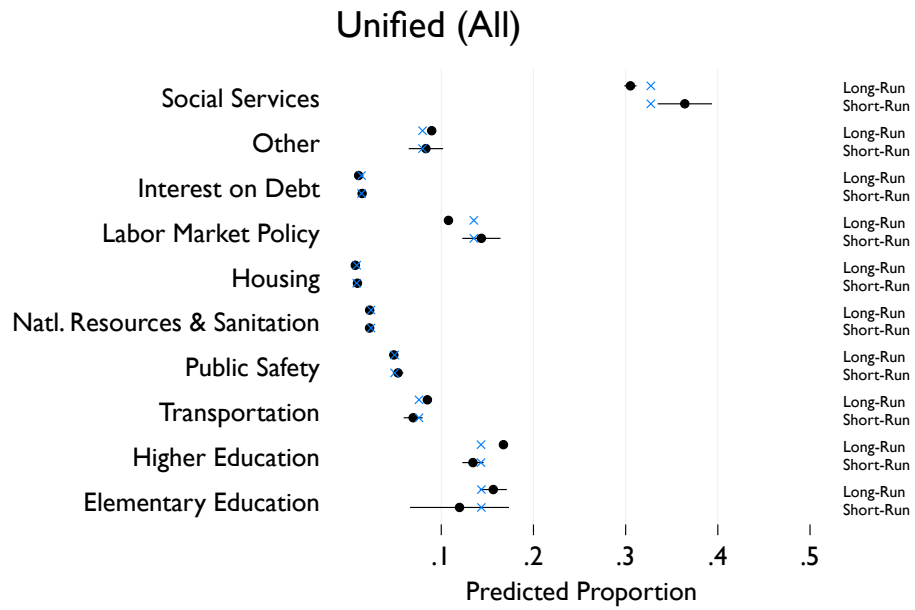
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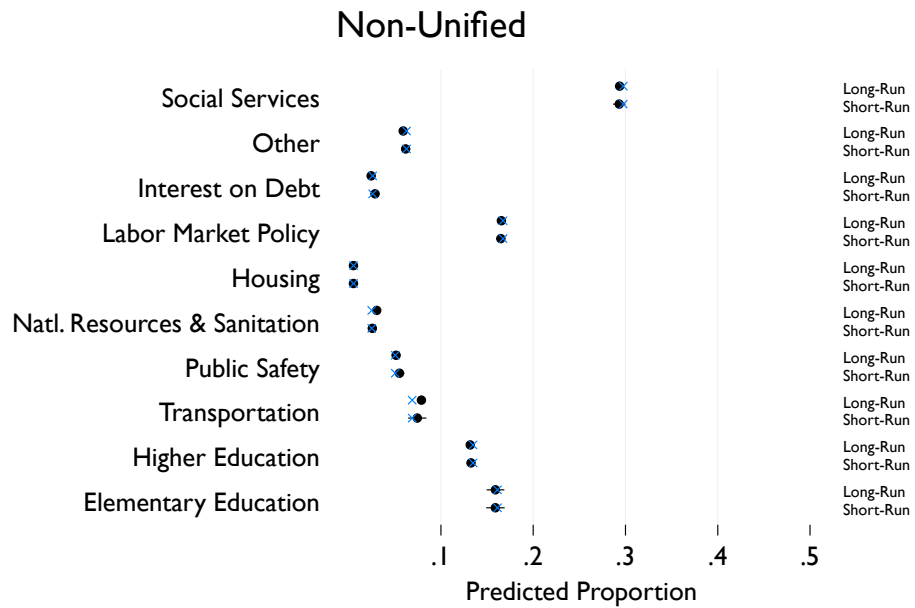
1 Operationalizing Partisanship: Unified Government

In this section, we test the robustness of our results to changing the operationalization of partisan government. In the main document we used a dichotomous variable equal to one if the governor in state i in year t belonged to the Democratic Party, and zero otherwise.¹ In this section we test the robustness of our main findings by substituting the governor partisan variable for a variable equal to one if all chambers (governor, House, and Senate) in a state are controlled by either the Democratic or Republican party. The political data are from [Klarner \(2013\)](#). The six plots shown in the main paper are replicated below, using the recoded variable of partisanship, and labeled as “Unified, Any Party”.

¹Note that this nearly always meant a Republican since Independent governors made up less than two percent of the sample.

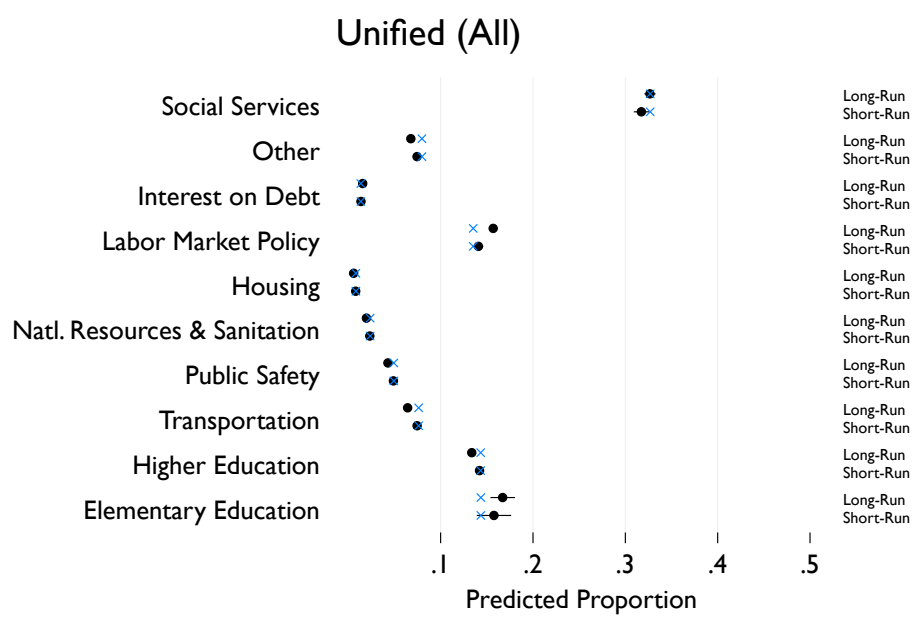


Note: x's indicate sample means (starting composition)

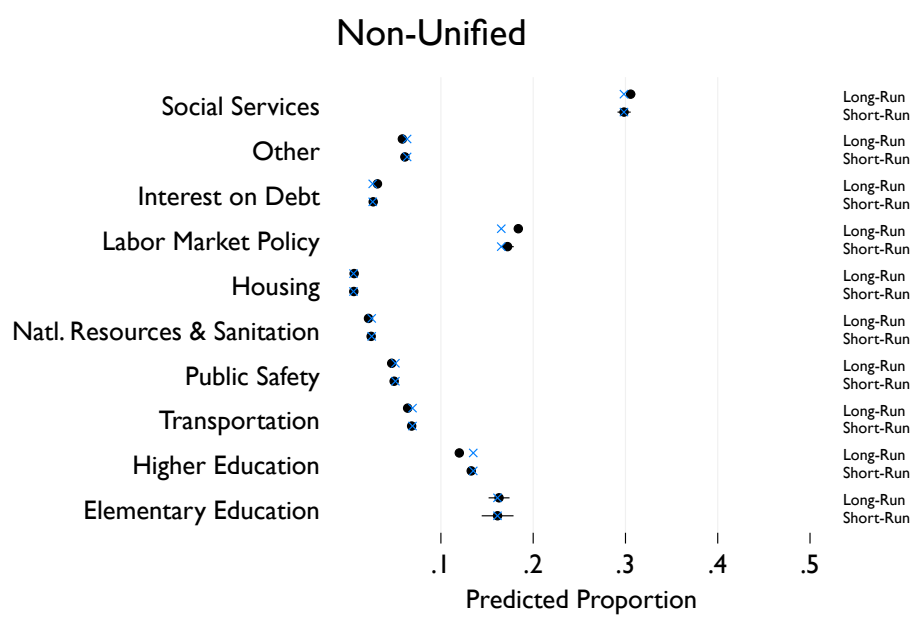


Note: x's indicate sample means (starting composition)

Figure 1: Drop in Own Personal Income (Unified, Any Party)

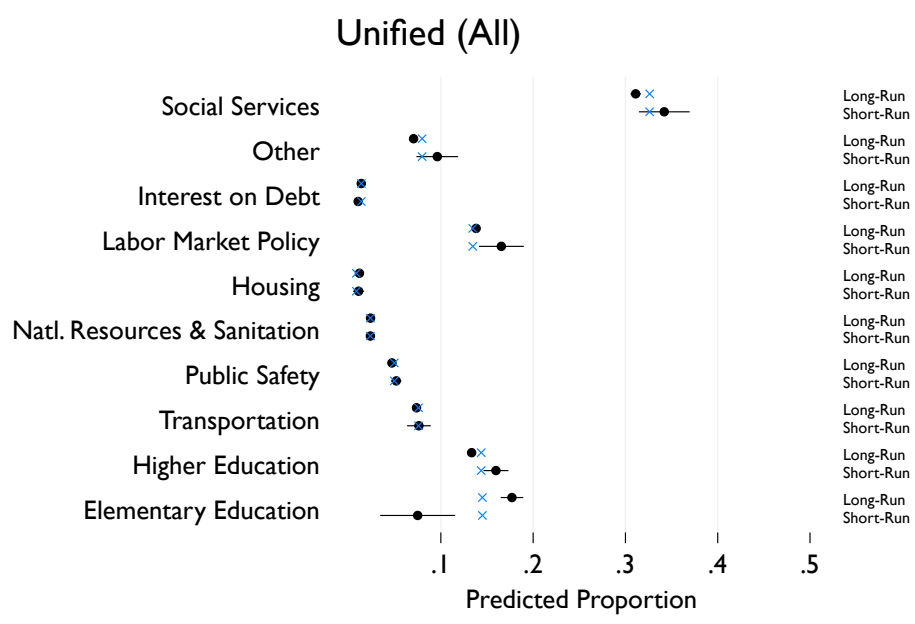


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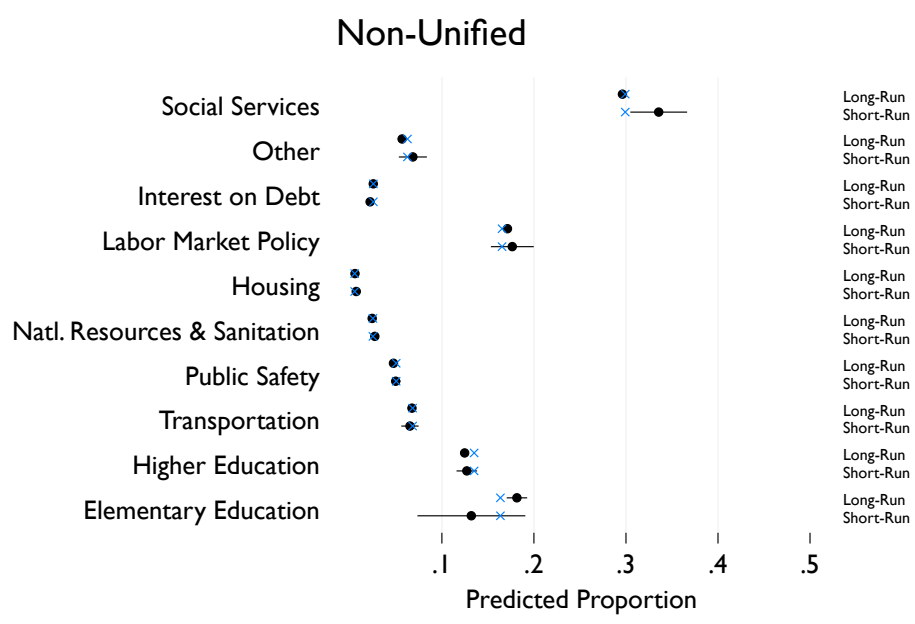


Note: x's indicate sample means (starting composition)

Figure 2: Rise in Own Unemployment (Unified, Any Party)

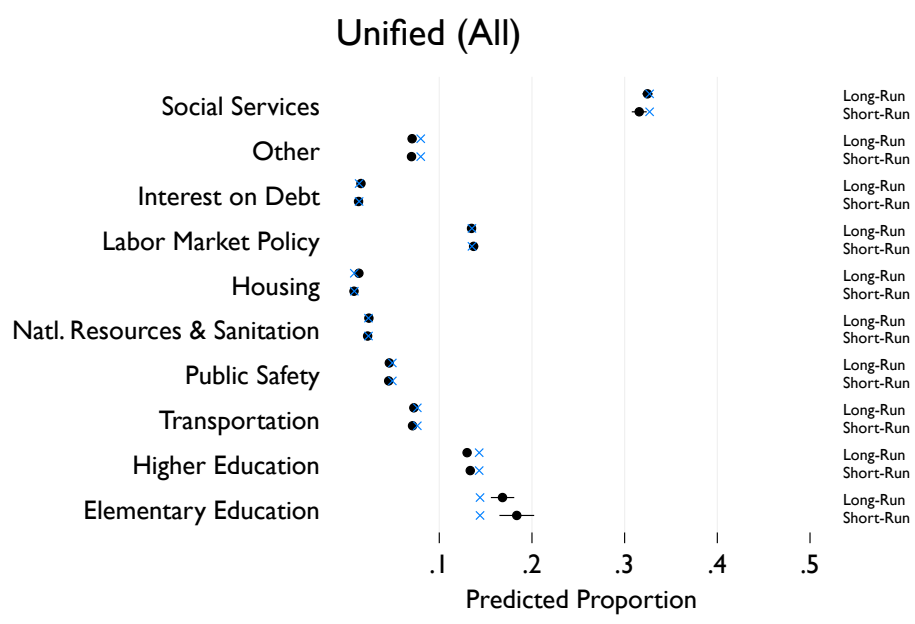


Note: x's indicate sample means (starting composition)

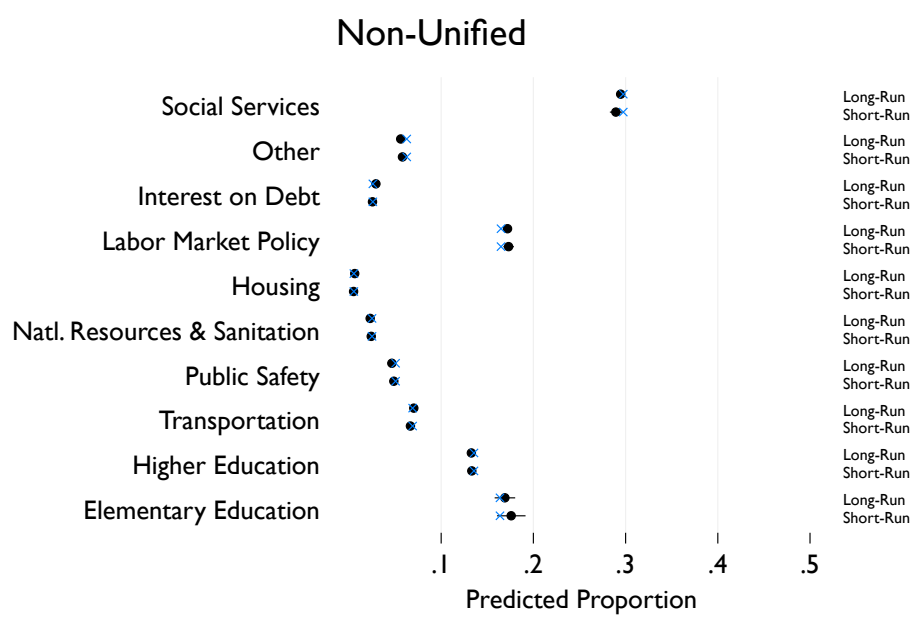


Note: x's indicate sample means (starting composition)

Figure 3: Drop in Surrounding Income (Unified, Any Party)



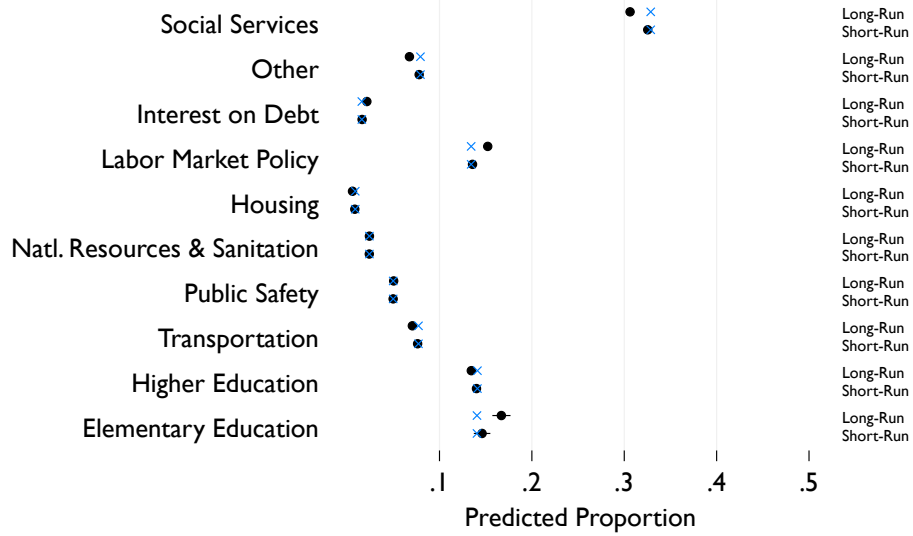
Note: x's indicate sample means (starting composition)



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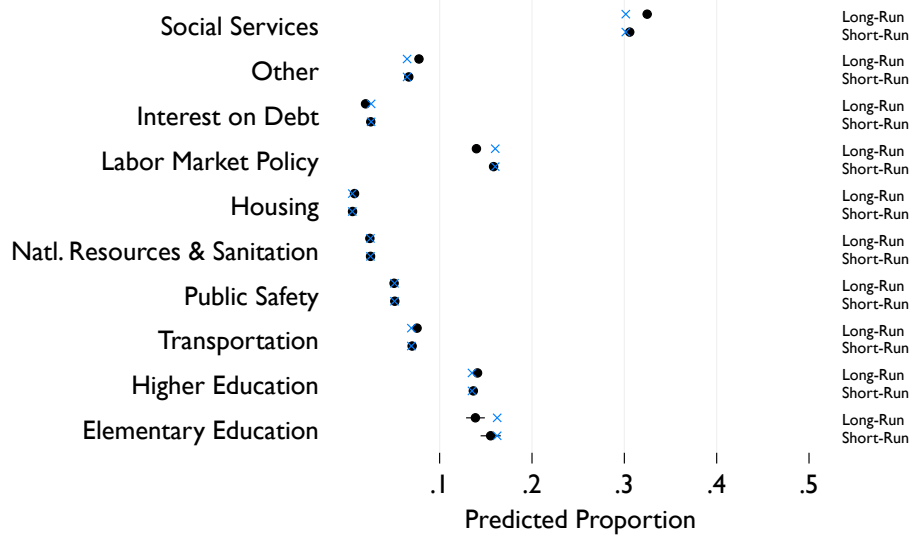
Figure 4: Rise in Surrounding Unemployment (Unified, Any Party)

Unified (All) to Non-Unified



Note: x's indicate sample means (starting composition)

Non-Unified to Unified (All)

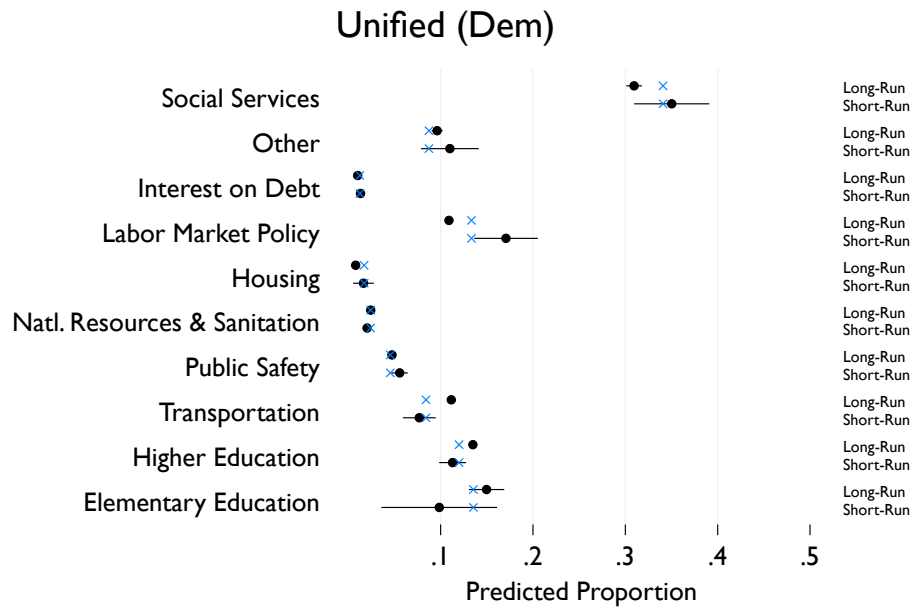


Note: x's indicate sample means (starting composition)

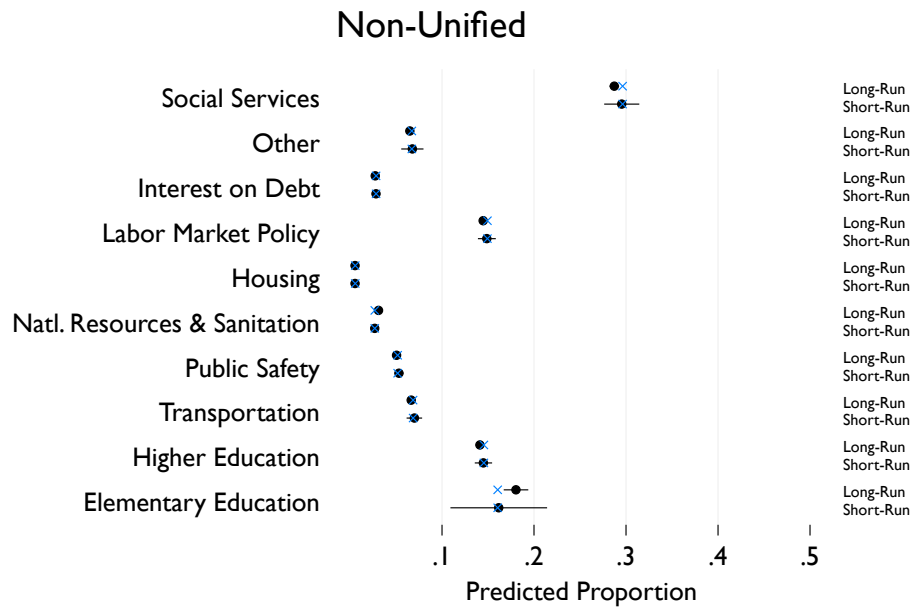
Figure 5: Switching Control (Unified, Any Party)

2 Operationalizing Partisanship: Unified Government (Democratic)

In this section we replicate the same results as in the previous section, although now the dichotomous partisan control variable is equal to one *only* if the Democratic party is in control of the House, Senate, and the governorship in a state, and zero otherwise.

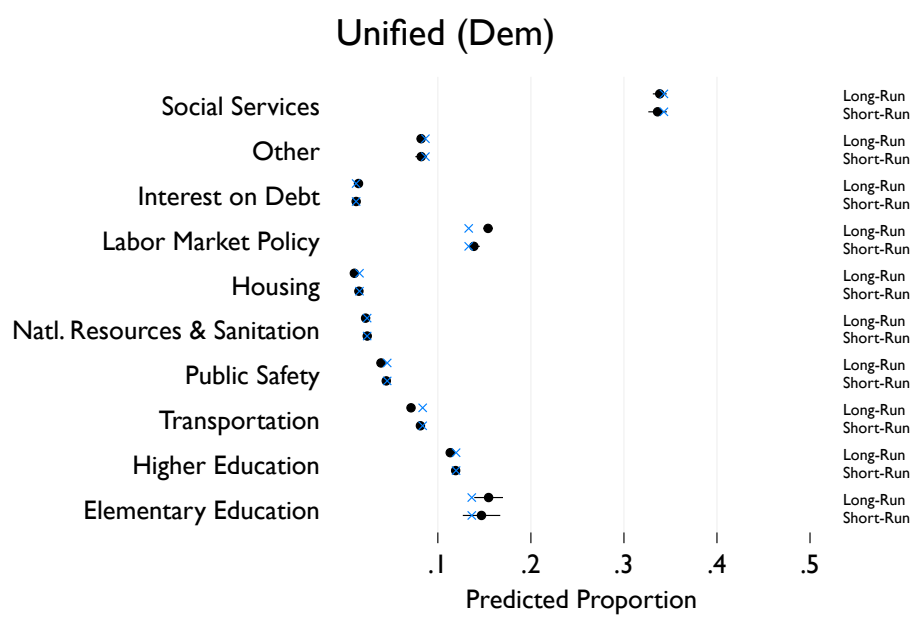


Note: x's indicate sample means (starting composition)

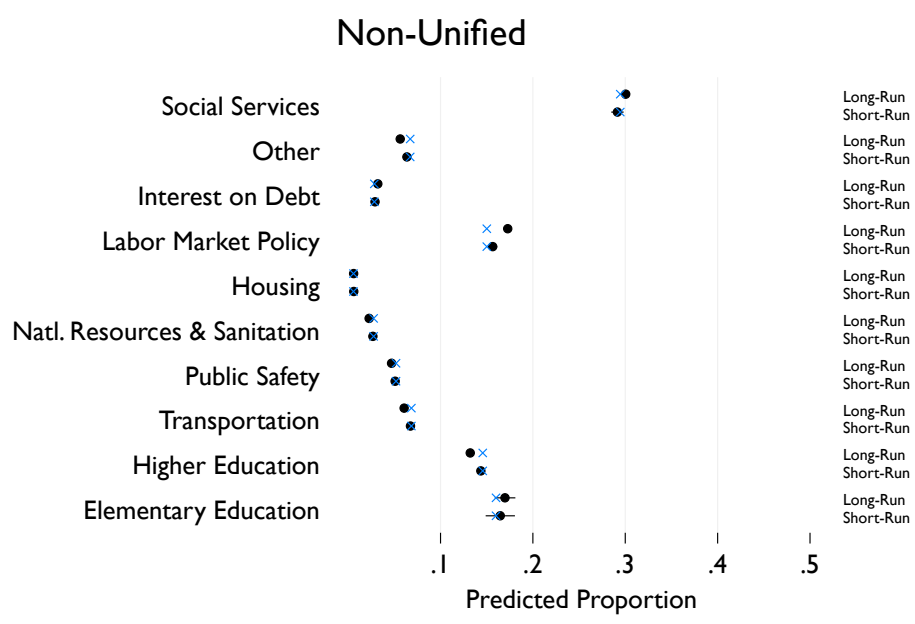


Note: x's indicate sample means (starting composition)

Figure 6: Drop in Own Personal Income (Unified, Democrat)

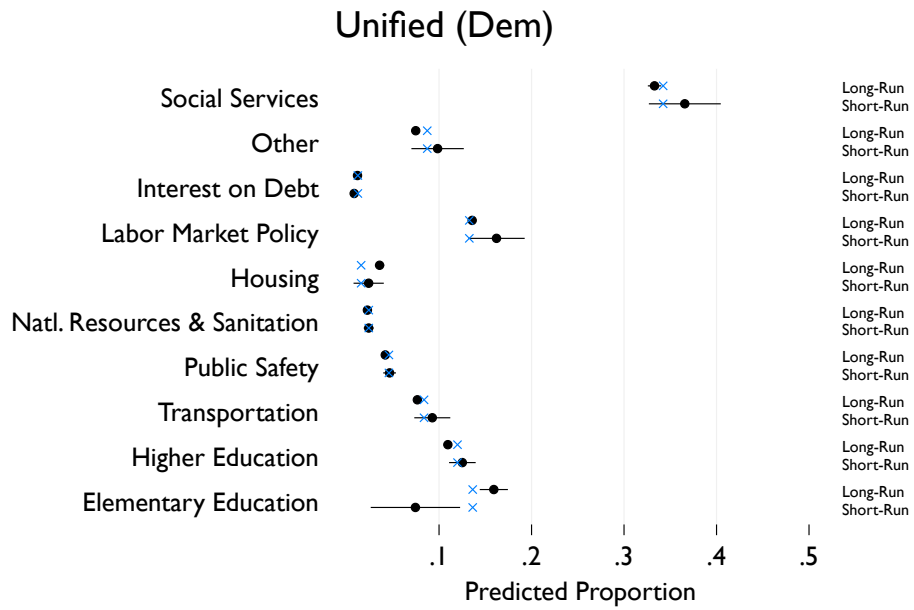


Note: x's indicate sample means (starting composition)

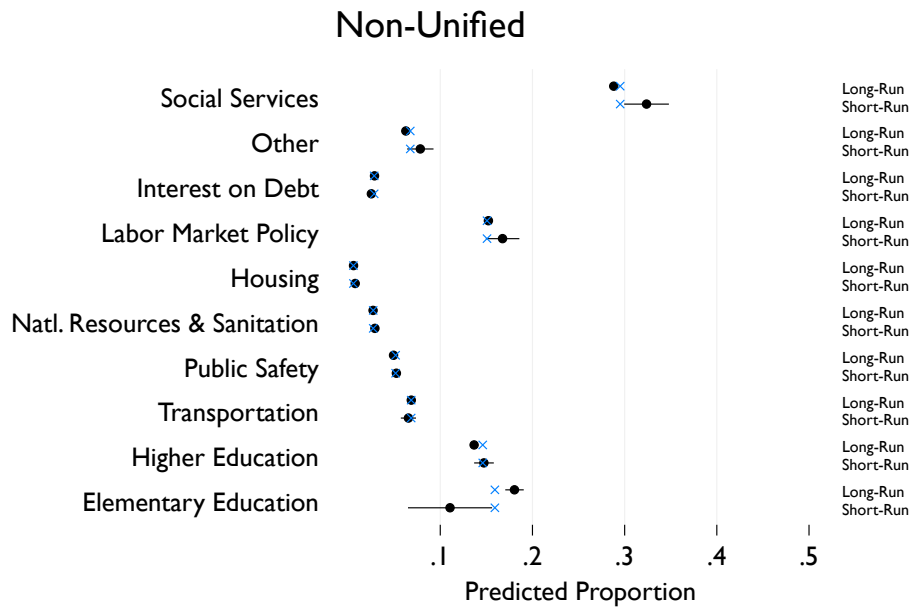


Note: x's indicate sample means (starting composition)

Figure 7: Rise in Own Unemployment (Unified, Democrat)

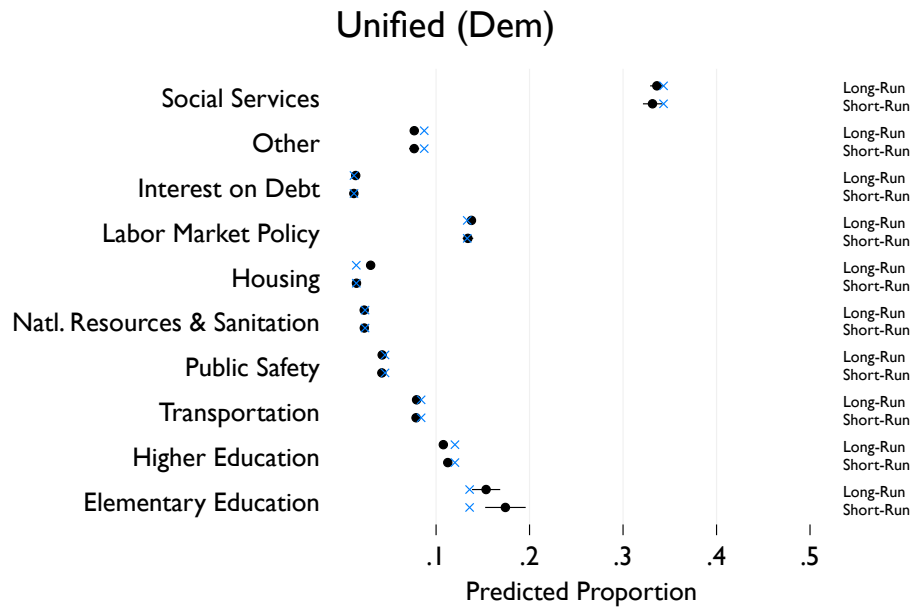


Note: x's indicate sample means (starting composition)

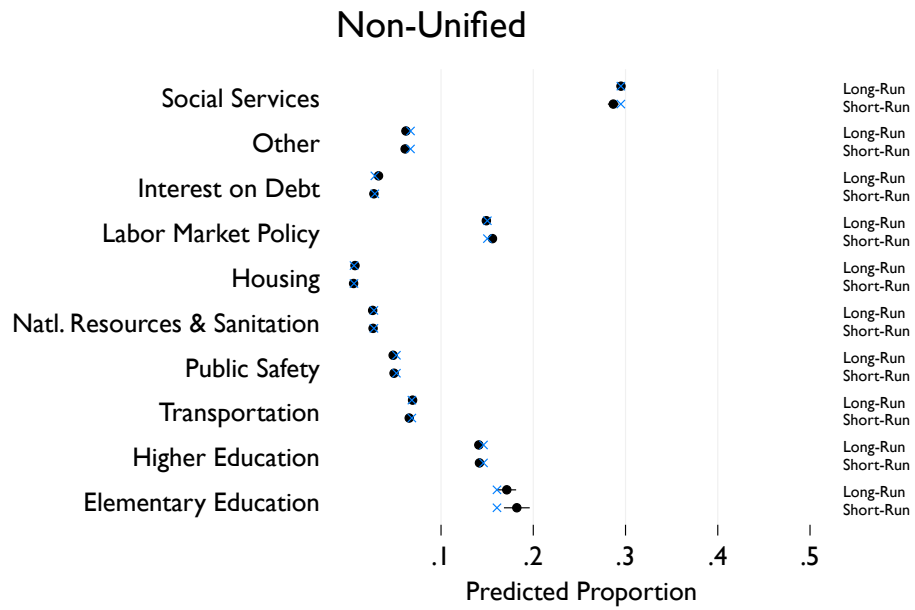


Note: x's indicate sample means (starting composition)

Figure 8: Drop in Surrounding Income (Unified, Democrat)



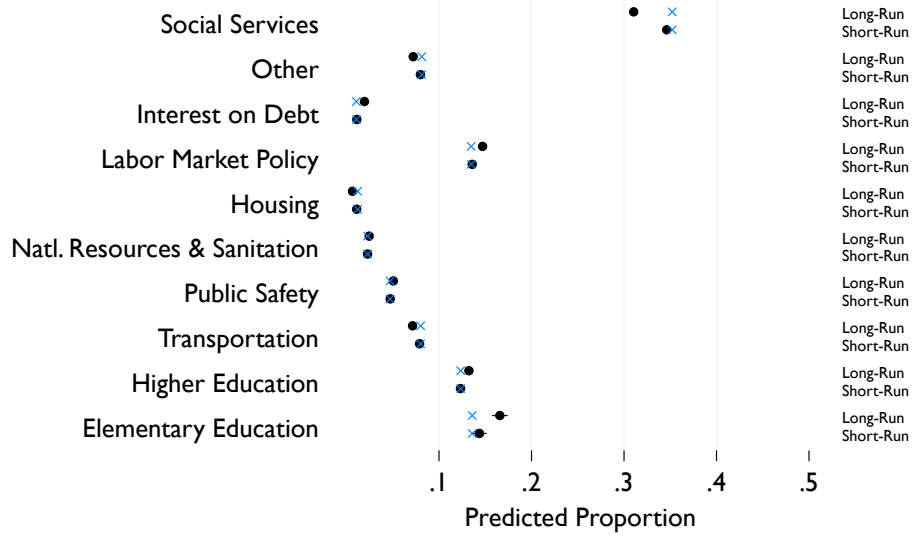
Note: x's indicate sample means (starting composition)



Note: x's indicate sample means (starting composition)

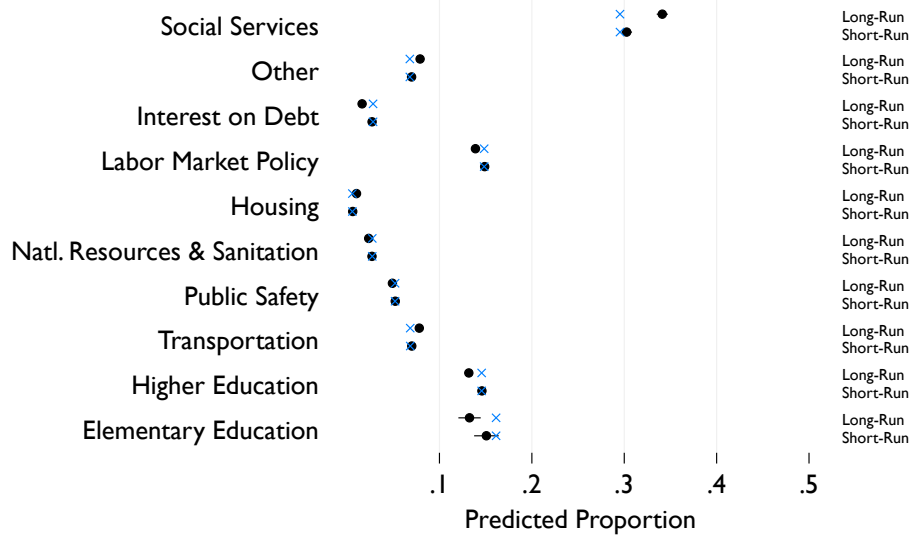
Figure 9: Rise in Surrounding Unemployment (Unified, Democrat)

Unified (Dem) to Non-Unified



Note: x's indicate sample means (starting composition)

Non-Unified to Unified (Dem)

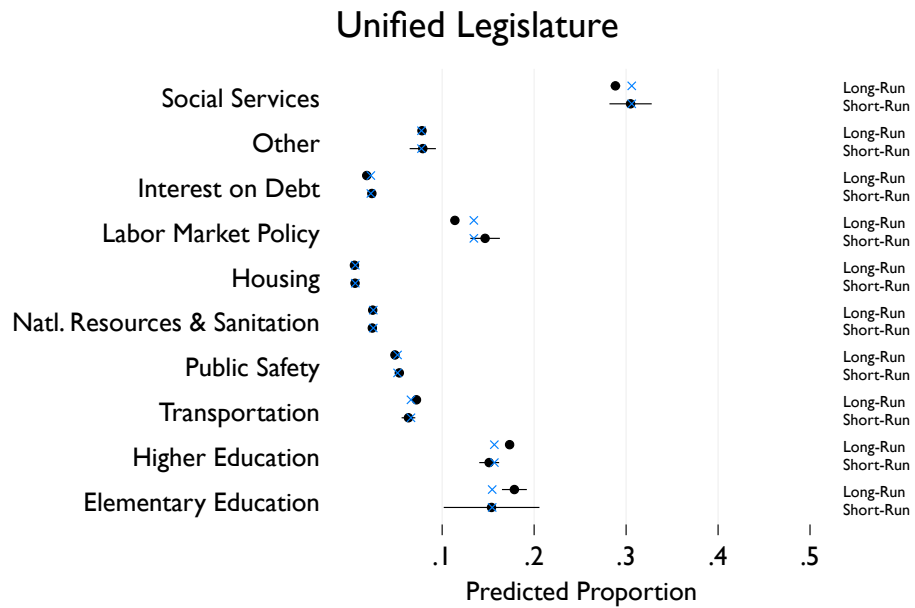


Note: x's indicate sample means (starting composition)

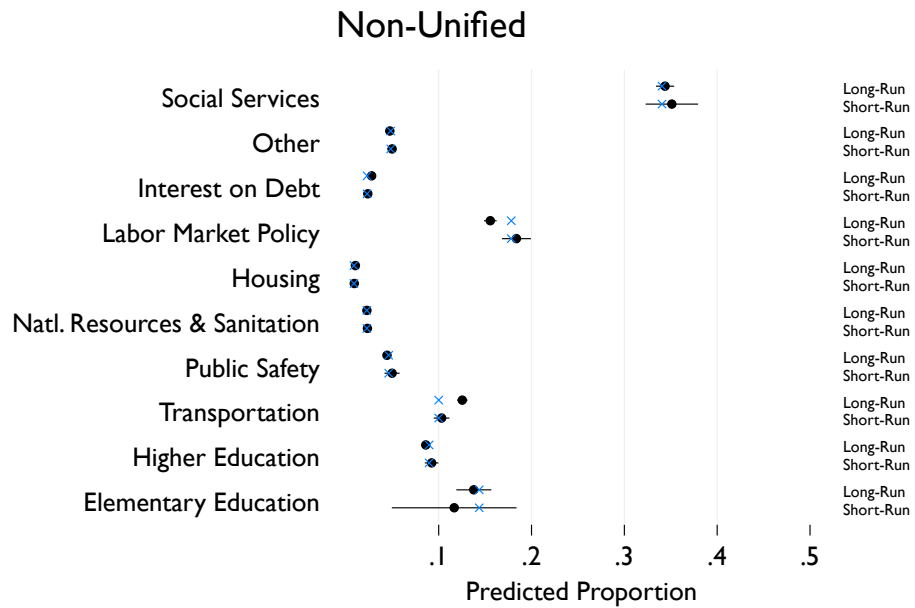
Figure 10: Switching Control (Unified, Democrat)

3 Operationalizing Partisanship: Unified Legislature

In this section we code partisan control as a dichotomous variable equal to one if a single party controls both the House and Senate.

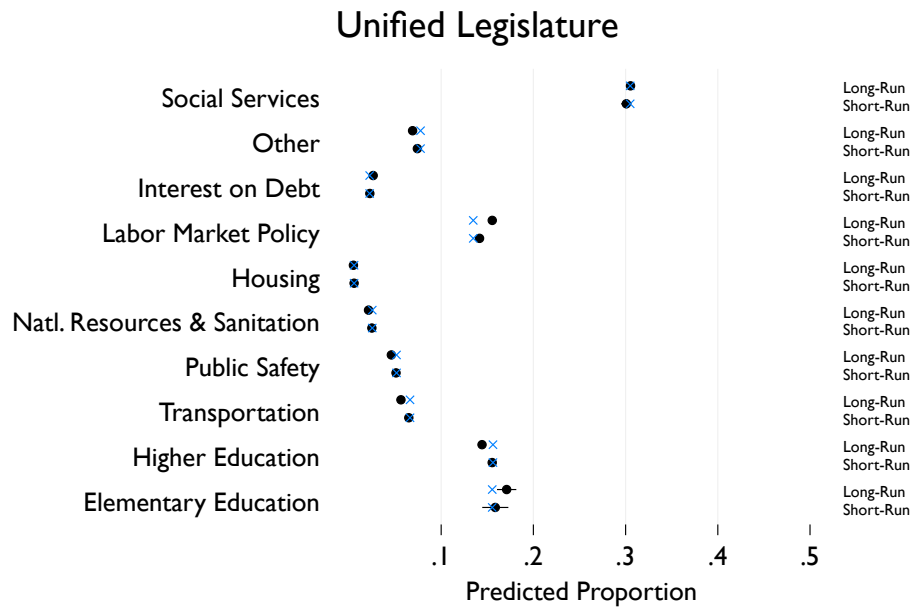


Note: x's indicate sample means (starting composition)

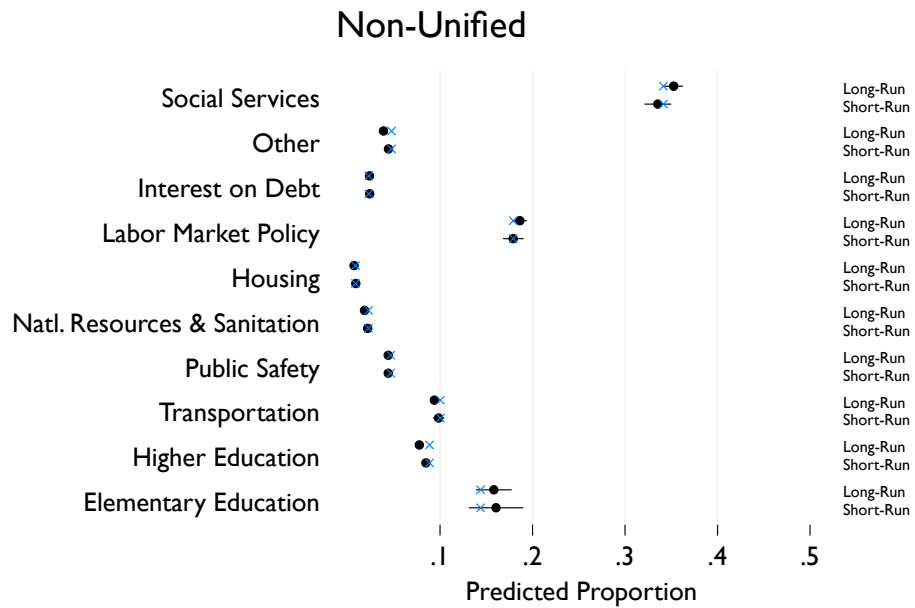


Note: x's indicate sample means (starting composition)

Figure 11: Drop in Own Personal Income (Unified House and Senate)

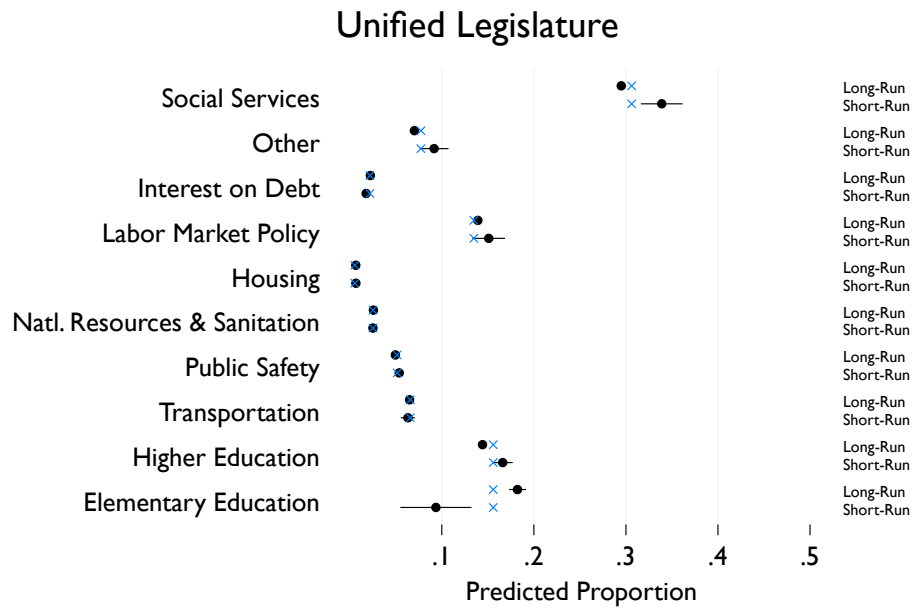


Note: x's indicate sample means (starting composition)

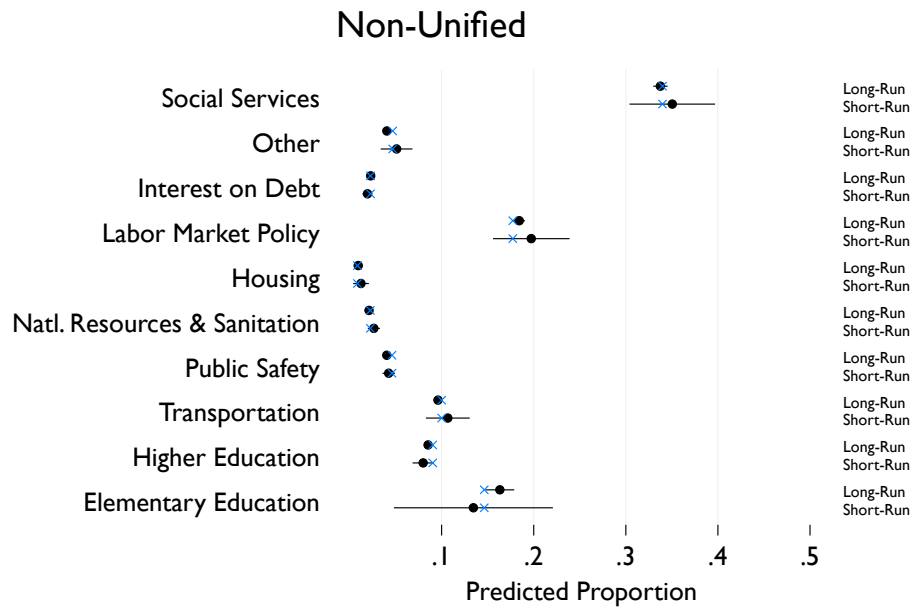


Note: x's indicate sample means (starting composition)

Figure 12: Rise in Own Unemployment (Unified House and Senate)

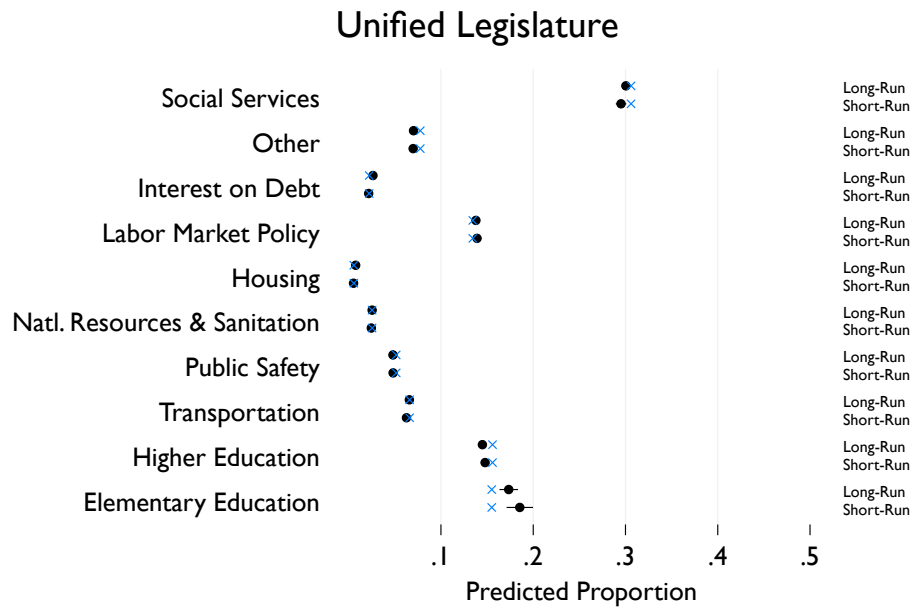


Note: x's indicate sample means (starting composition)

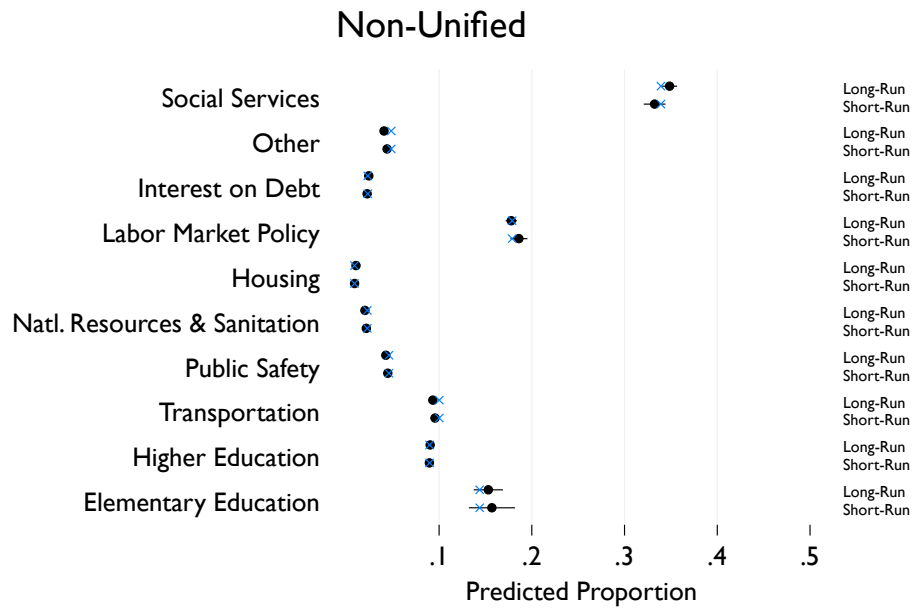


Note: x's indicate sample means (starting composition)

Figure 13: Drop in Surrounding Income (Unified House and Senate)



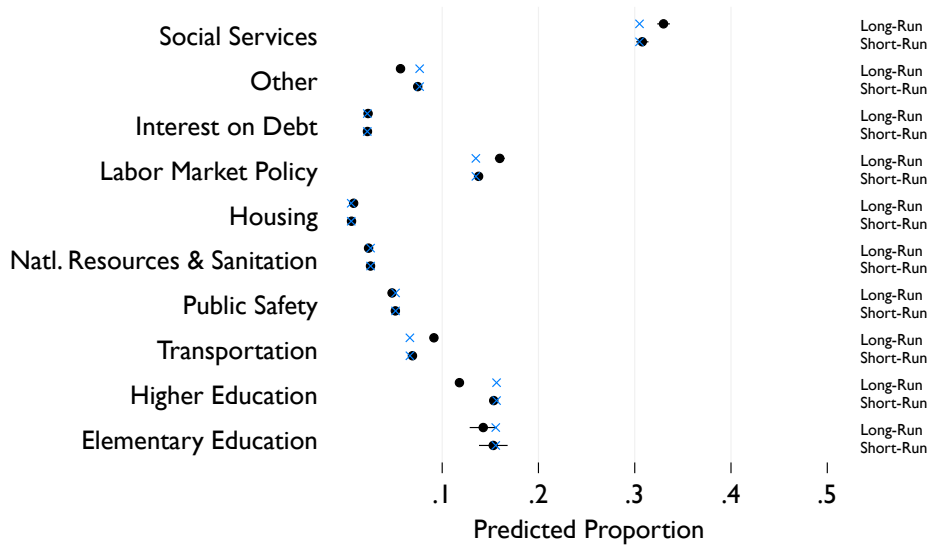
Note: x's indicate sample means (starting composition)



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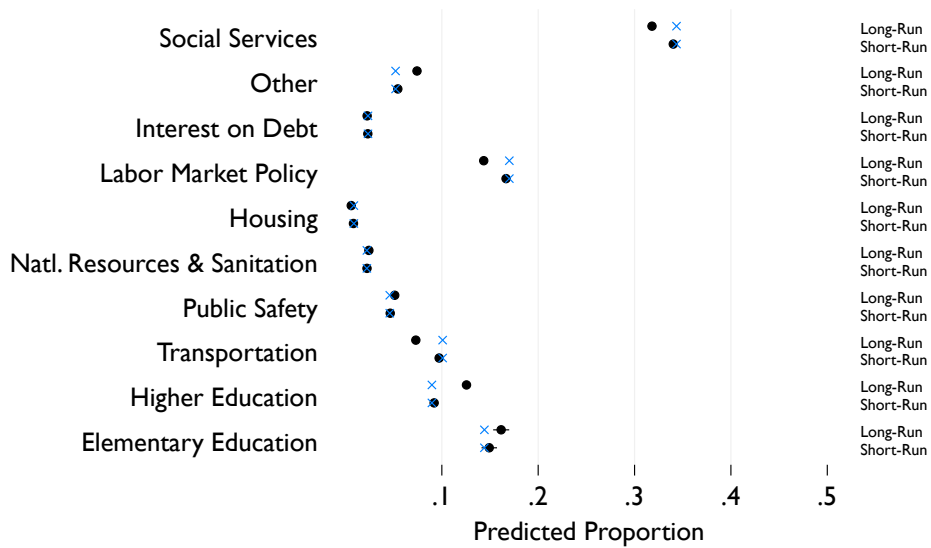
Figure 14: Rise in Surrounding Unemployment (Unified House and Senate)

Unified Legislature to Non-Unified



Note: x's indicate sample means (starting composition)

Non-Unified to Unified Legislature

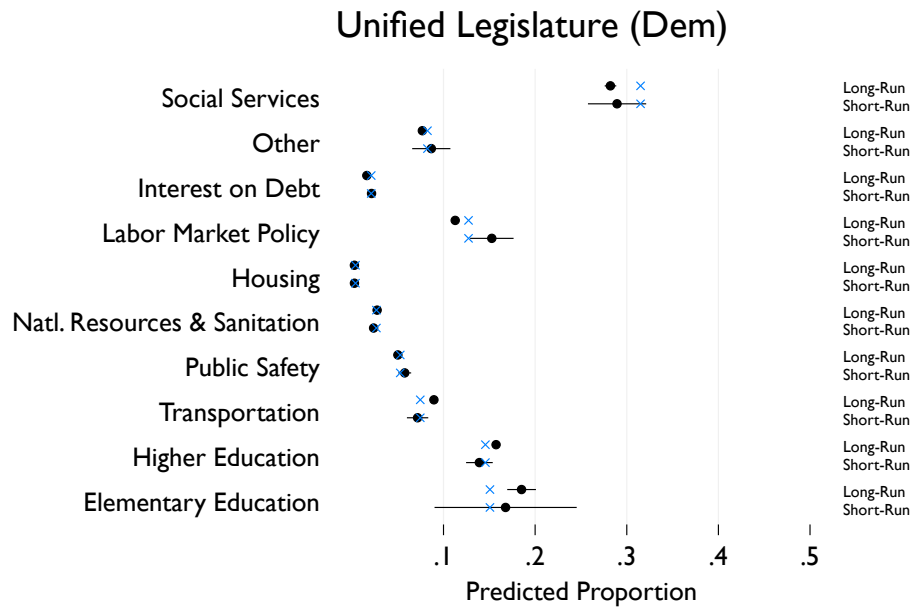


Note: x's indicate sample means (starting composition)

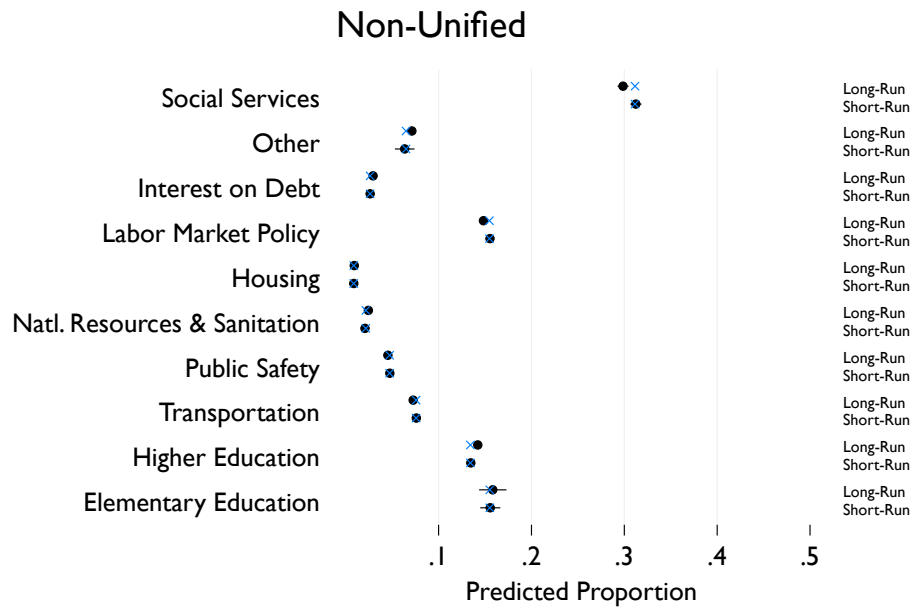
Figure 15: Switching Control (Unified House and Senate)

4 Operationalizing Partisanship: Unified Legislature (Democratic)

In this section we operationalize partisan control as a dichotomous variable equal to one if the Democratic party controls both the House and Senate.

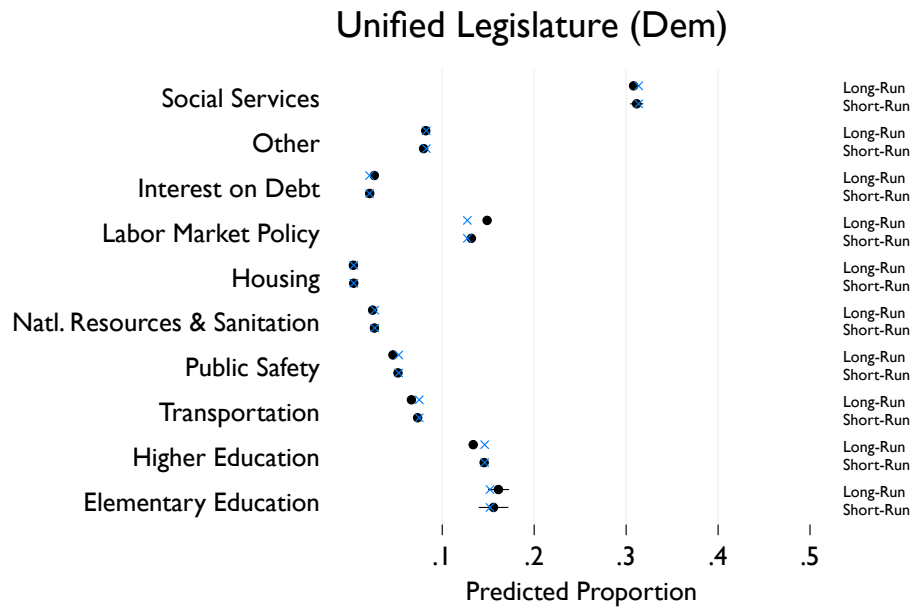


Note: x's indicate sample means (starting composition)

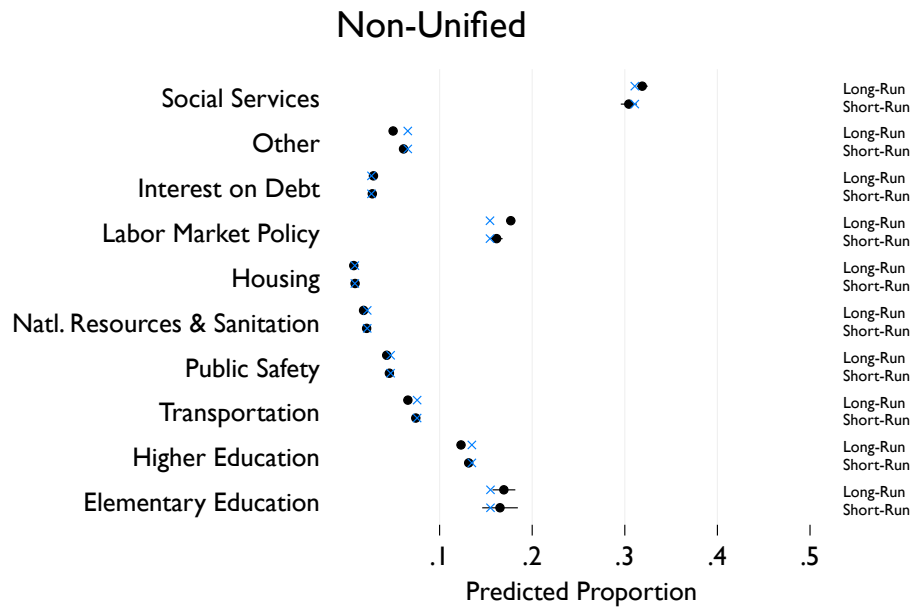


Note: x's indicate sample means (starting composition)

Figure 16: Drop in Own Personal Income (Democratic-Controlled House and Senate)

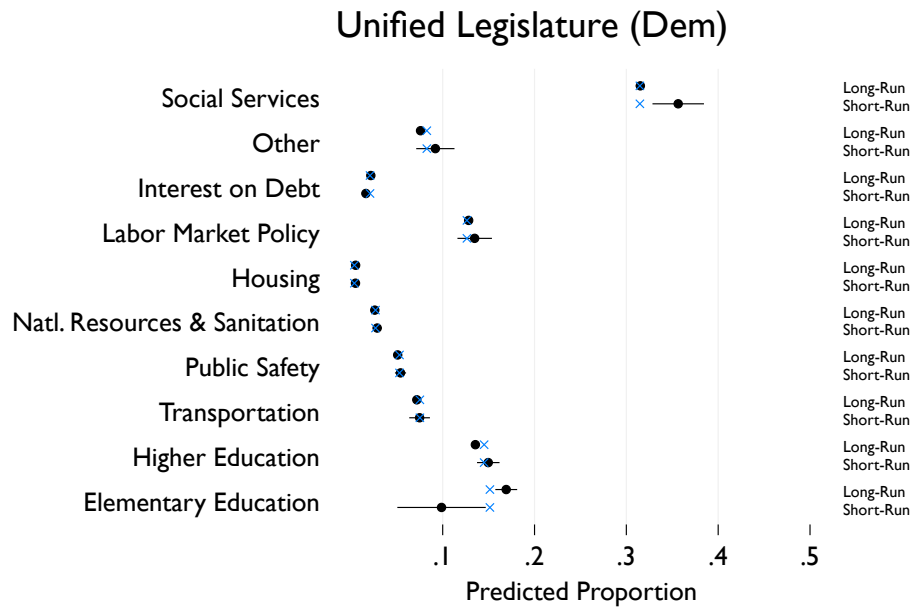


Note: x's indicate sample means (starting composition)

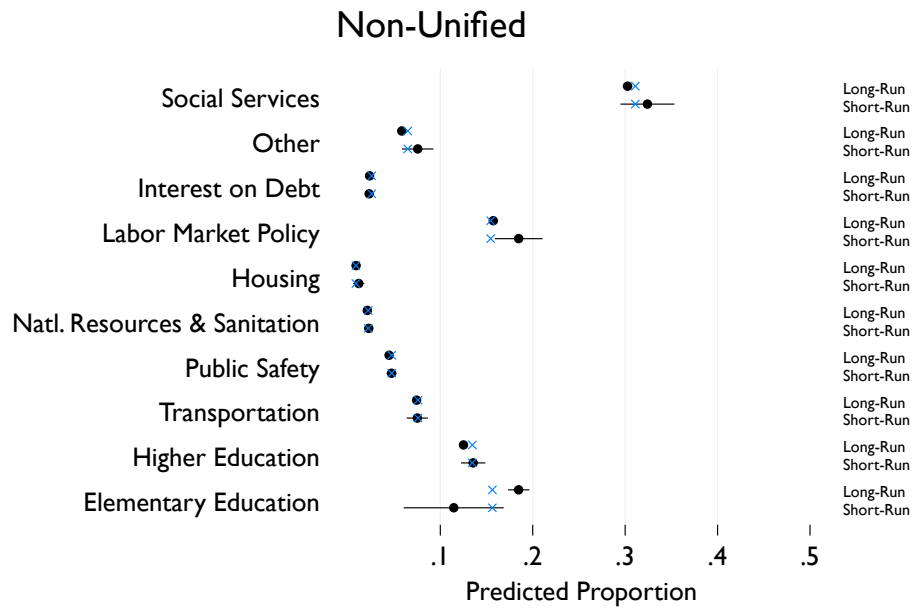


Note: x's indicate sample means (starting composition)

Figure 17: Rise in Own Unemployment (Democratic-Controlled House and Senate)

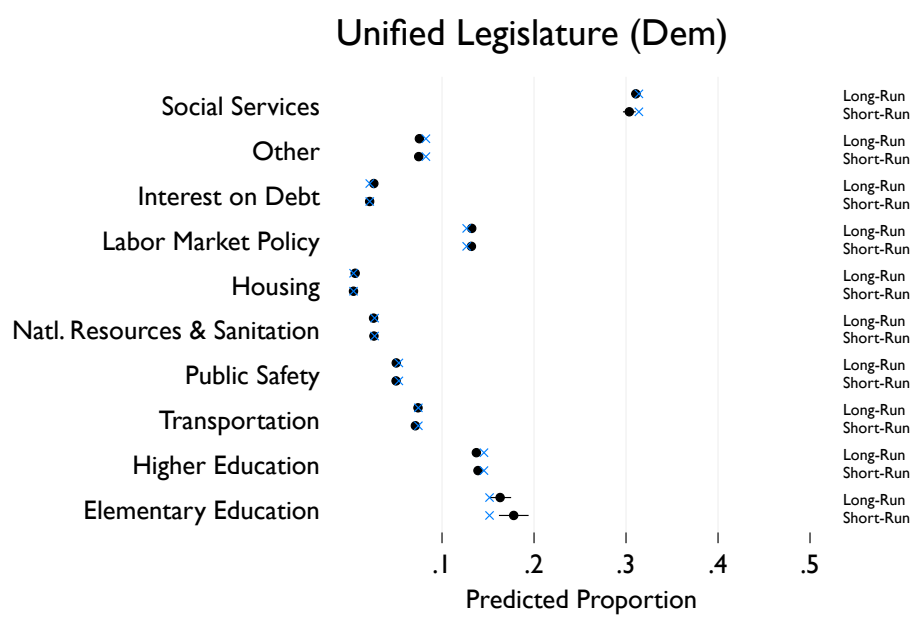


Note: x's indicate sample means (starting composition)

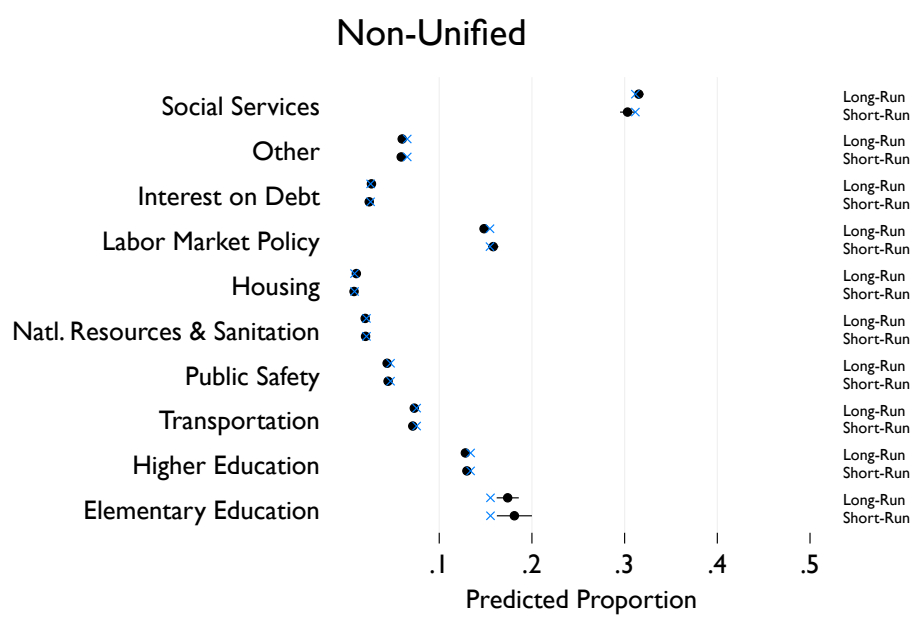


Note: x's indicate sample means (starting composition)

Figure 18: Drop in Surrounding Income (Democratic-Controlled House and Senate)



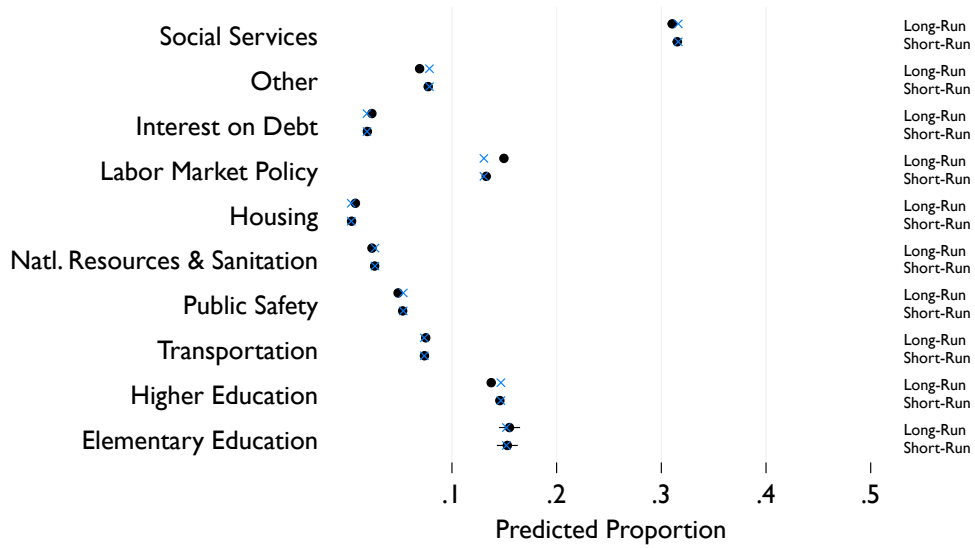
Note: x's indicate sample means (starting composition)



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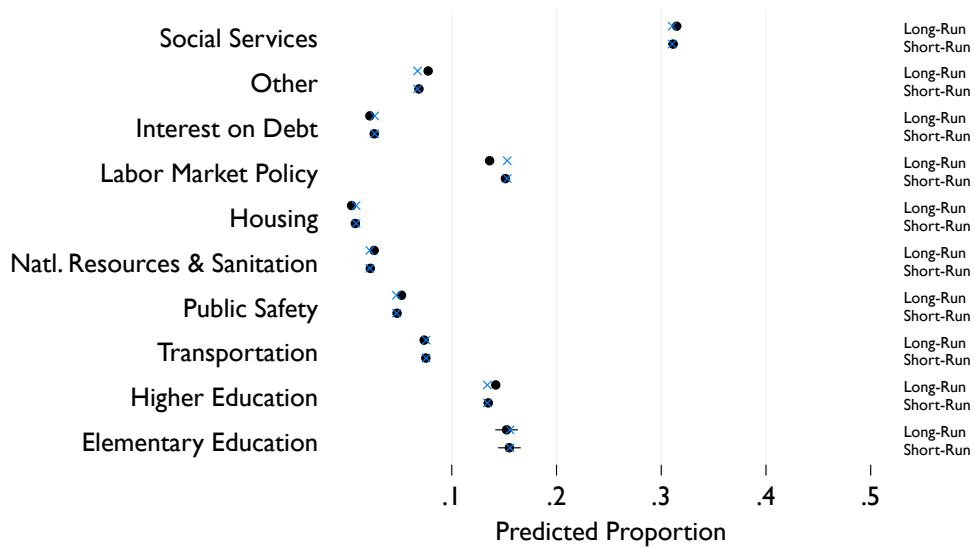
Figure 19: Rise in Surrounding Unemployment (Democratic-Controlled House and Senate)

Unified Legislature (Dem) to Non-Unified



Note: x's indicate sample means (starting composition)

Non-Unified to Unified Legislature (Dem)



Note: x's indicate sample means (starting composition)

Figure 20: Switching Control (Democratic-Controlled House and Senate)

5 Table of numerical results

Table 1: Estimated short-run and long-run effects on State Budget Spending

	EE SS	HE SS	T SS	PS SS	NR&S SS	H SS	LMP SS	IOD SS	Other SS
Lagged DV	-0.257*** (0.020)	-0.050*** (0.008)	-0.093*** (0.013)	-0.088*** (0.010)	-0.066*** (0.012)	-0.134*** (0.016)	-0.085*** (0.013)	-0.048*** (0.009)	-0.112*** (0.013)
Lagged DV × Democratic Gov.	0.040 (0.027)	-0.005 (0.012)	0.009 (0.017)	0.019 (0.012)	0.018 (0.016)	0.042** (0.021)	-0.003 (0.016)	-0.021* (0.013)	0.025 (0.018)
ΔInflation _t	-0.112*** (0.018)	-0.006* (0.004)	-0.004 (0.006)	-0.008* (0.004)	-0.001 (0.006)	0.031* (0.018)	0.002 (0.005)	-0.008 (0.007)	0.027*** (0.007)
Inflation _{t-1}	-0.028* (0.015)	0.003 (0.003)	-0.000 (0.004)	0.003 (0.003)	0.001 (0.004)	0.012 (0.014)	-0.001 (0.004)	0.011** (0.005)	-0.001 (0.005)
Δ(Inflation _t × Democratic Gov. _t)	-0.015 (0.019)	-0.004 (0.004)	-0.004 (0.006)	0.002 (0.005)	0.003 (0.006)	-0.026 (0.020)	-0.008 (0.006)	-0.004 (0.007)	-0.009 (0.007)
Inflation _{t-1} × Democratic Gov. _{t-1}	-0.049** (0.020)	-0.003 (0.003)	-0.005 (0.005)	0.003 (0.004)	0.003 (0.006)	0.002 (0.017)	-0.008 (0.005)	-0.008 (0.006)	0.007 (0.007)
ΔTot. Exp. _t	-0.000 (0.000)	-0.000*** (0.000)	-0.000* (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000*** (0.000)	0.000*** (0.000)
Tot. Exp. _{t-1}	0.000 (0.000)	0.000* (0.000)	-0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)
Δ(Tot. Exp. _t × Democratic Gov. _t)	-0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)
Inflation _{t-1} × Democratic Gov. _{t-1}	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
ΔUnemployment _t	0.034 (0.023)	0.001 (0.005)	-0.002 (0.007)	-0.000 (0.006)	-0.005 (0.008)	0.031 (0.023)	0.021*** (0.007)	0.017* (0.009)	-0.022** (0.009)
Unemployment _{t-1}	0.003 (0.013)	-0.006** (0.003)	-0.009** (0.004)	-0.008*** (0.003)	-0.012*** (0.004)	-0.004 (0.013)	0.006 (0.004)	0.005 (0.005)	-0.012** (0.005)
Δ(Unemployment _t × Democratic Gov. _t)	-0.014 (0.023)	0.000 (0.005)	-0.003 (0.007)	-0.004 (0.005)	0.004 (0.008)	-0.048** (0.023)	0.007 (0.007)	-0.006 (0.008)	0.002 (0.009)
Unemployment _{t-1} × Democratic Gov. _{t-1}	0.013 (0.018)	0.003 (0.004)	0.000 (0.006)	0.003 (0.004)	0.003 (0.006)	-0.013 (0.018)	-0.001 (0.005)	-0.001 (0.007)	0.005 (0.007)
ΔWUnemployment _t	0.037*** (0.009)	-0.003 (0.002)	-0.003 (0.003)	-0.007*** (0.002)	0.001 (0.003)	-0.010 (0.009)	0.012*** (0.003)	0.000 (0.003)	-0.016*** (0.003)
WUnemployment _{t-1}	0.003 (0.004)	-0.001 (0.001)	0.000 (0.001)	-0.001 (0.001)	-0.000 (0.001)	0.009** (0.004)	-0.001 (0.001)	0.004*** (0.001)	-0.001 (0.001)
Δ(WUnemployment _t × Democratic Gov. _t)	0.009 (0.007)	0.001 (0.001)	-0.001 (0.002)	0.002 (0.002)	-0.003 (0.002)	0.013* (0.007)	0.003 (0.002)	0.001 (0.002)	0.000 (0.003)
(WUnemployment _{t-1} × Democratic Gov. _{t-1})	0.005 (0.005)	-0.000 (0.001)	-0.001 (0.002)	-0.000 (0.001)	0.000 (0.002)	-0.001 (0.005)	0.003** (0.001)	-0.002 (0.002)	-0.002 (0.002)
ΔOwn Source Rev. _t	0.037*** (0.005)	0.005*** (0.001)	0.000 (0.002)	0.003** (0.001)	0.003 (0.002)	-0.004 (0.006)	0.009*** (0.002)	0.005** (0.002)	-0.003 (0.003)
Own Source Rev. _{t-1}	0.008** (0.003)	0.001 (0.001)	0.000 (0.001)	0.003*** (0.001)	0.001 (0.001)	-0.004 (0.003)	0.002** (0.001)	0.002 (0.001)	0.002 (0.001)
Δ(Own Source Rev. _t × Democratic Gov. _t)	-0.003 (0.004)	0.000 (0.001)	0.000 (0.001)	-0.001 (0.001)	-0.001 (0.001)	0.001 (0.004)	-0.002** (0.001)	0.002 (0.001)	0.000 (0.001)
Own Source Rev. _{t-1} × Democratic Gov. _{t-1}	-0.001 (0.003)	0.000 (0.001)	0.001 (0.001)	0.000 (0.001)	0.000 (0.001)	0.004 (0.003)	0.000 (0.001)	0.002 (0.001)	0.000 (0.001)
ΔWPersonal Income _t	0.030*** (0.009)	0.004* (0.002)	0.005* (0.003)	0.004* (0.002)	0.003 (0.003)	0.002 (0.009)	-0.002 (0.003)	0.014*** (0.003)	-0.002 (0.003)
WPersonal Income _{t-1}	-0.002** (0.001)	0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.001 (0.001)	0.000 (0.000)	-0.001** (0.000)	0.000 (0.000)
Δ(WPersonal Income _t × Democratic Gov. _t)	-0.001 (0.002)	-0.000 (0.000)	0.000 (0.001)	-0.000 (0.000)	0.001 (0.001)	-0.004** (0.002)	-0.000 (0.000)	0.000 (0.001)	0.000 (0.001)
WPersonal Income _{t-1} × Democratic Gov. _{t-1}	-0.000 (0.001)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	-0.000 (0.001)	-0.001*** (0.000)	0.000 (0.000)	0.000 (0.000)
ΔPersonal Income _t	0.020 (0.025)	0.001 (0.005)	0.003 (0.008)	-0.006 (0.006)	0.007 (0.008)	0.008 (0.026)	-0.020*** (0.008)	-0.002 (0.009)	-0.004 (0.010)
Personal Income _{t-1}	-0.007 (0.005)	-0.002 (0.001)	-0.002 (0.002)	0.000 (0.001)	-0.001 (0.002)	-0.000 (0.005)	0.001 (0.001)	0.002 (0.002)	-0.000 (0.002)
Δ(Personal Income _t × Democratic Gov. _t)	0.009 (0.010)	0.001 (0.002)	-0.000 (0.003)	0.001 (0.002)	0.002 (0.003)	0.012 (0.010)	0.005 (0.003)	-0.006 (0.004)	0.001 (0.004)
Personal Income _{t-1} × Democratic Gov. _{t-1}	0.003 (0.007)	-0.000 (0.002)	-0.001 (0.002)	-0.000 (0.002)	-0.001 (0.002)	0.002 (0.007)	0.002 (0.002)	-0.002 (0.003)	-0.001 (0.003)
Constant	-0.414* (0.227)	-0.047 (0.046)	0.005 (0.072)	-0.290*** (0.060)	-0.075 (0.075)	-0.476** (0.240)	-0.307*** (0.076)	-0.443*** (0.089)	-0.205** (0.088)
N	1236	1236	1236	1236	1236	1236	1236	1236	1236
States	50	50	50	50	50	50	50	50	50

Standard errors in parentheses
 Regression with standard errors in parentheses. Two-tail tests.
 * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

References

Klarner, Carl. 2013. "State Partisan Balance Data, 1937-2011." <http://hdl.handle.net/1902.1/20403>
IQSS Dataverse Network.