Replicating Leigh 2008 - "Estimating the impact of gubernatorial partisanship on policy settings and economic outcomes: A regression discontinuity approach"

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Motivation and Identification

- How ideological are governors in their actions?
  - Downs model
  - Roemer model
- Observational panel data
  - Data from 1941 to 2004
  - 30 outcomes for all 50 states
- Regression discontinuity
  - Reverse causality
  - Omitting first year

Descriptives

	(1) Summary Statistics			
	mean	sd	min	max
Democrat Governer	0.55	0.50	0.00	1.00
Democrat Legislature	0.50	0.50	0.00	1.00
Voteshare Received by Democratic Candidate	0.53	0.14	0.00	1.00
Log Population	14.74	1.05	11.71	17.37
Percent Population under 15	0.26	0.04	0.19	0.38
Percent Population over 65	0.09	0.03	0.02	0.17
Percent Population Black	0.09	0.10	0.00	0.49
Top Income Tax Rate	4.82	3.89	0.00	19.80
Top Corporate Tax Rate	4.85	3.13	0.00	12.25
Average Income Tax Rate	15.35	3.04	8.07	24.49
Log Real Minimum Wage	1.80	0.14	1.60	2.73
Log Maximum Welfare Benefit (AFDC)	6.50	0.47	5.09	7.48
Percent Population Gov Employees	6.03	0.92	3.94	10.59
Unionization Rate	18.66	8.60	3.30	44.80
Incarceration Rate	216.20	125.52	19.00	736.00
Log State Transfers per Capita	3.20	0.96	-0.17	4.74
Percent Population on Welfare	3.61	1.61	0.16	8.45
Log Real State Revenue per Capita	5.75	0.94	3.31	7.44
Log Mean Real Wage	10.50	0.17	10.04	11.43
Percent Population Poverty	15.04	9.54	1.08	83.36
Pre-Tax Gini	37.41	3.71	24.88	48.05
Unemployment Rate	6.04	2.07	2.20	18.00
Average NAEP 4th Grade Score	214.86	7.36	197.00	234.00
Murder Rate per 100,000	6.54	3.79	0.20	20.30
Observations	2982			

Regressions

Dep Var	(1)	(2)	(3)	(4)	(5)
Unionization Rate	-0.3040 (0.2427)	-0.2868 (0.2467)	-0.3248 (0.2449)	-0.3409 (0.2473)	-0.3124 (0.3007)
Incarceration Rate	-9.5687 (6.9422)	-11.3970* (6.3649)	-13.3071** (6.2159)	-12.8029** (5.9304)	-12.7568* (7.5291)
Executions per 100,000	0.0040 (0.0041)	-0.0011 (0.0038)	-0.0009 (0.0038)	0.0044 (0.0036)	0.0006 (0.0064)
Log State Transfers per Capita	-0.0195 (0.0283)	-0.0052 (0.0268)	-0.0071 (0.0274)	-0.0028 (0.0276)	0.0127 (0.0302)
Log State UI Payments per Capita	-0.0032 (0.0244)	0.0074 (0.0244)	0.0082 (0.0242)	0.0069 (0.0244)	-0.0168 (0.0310)
Percent Population on Welfare	0.1412 (0.1003)	0.1433 (0.0900)	0.1607* (0.0927)	0.1618* (0.0963)	0.0716 (0.1104)
Log Real State Income Tax Receipt per Capita	-0.0665 (0.0415)	-0.0403 (0.0380)	-0.0305 (0.0369)	-0.0264 (0.0373)	-0.0992 (0.0612)
Log Real Other Income Tax Receipt per Capita	0.0068 (0.0295)	0.0201 (0.0279)	0.0227 (0.0278)	0.0201 (0.0278)	0.0430 (0.0394)
Log Real Non-Tax Revenue per Capita	0.0042 (0.0359)	0.0161 (0.0346)	0.0155 (0.0358)	0.0186 (0.0338)	0.0119 (0.0329)
Log Real State Revenue per Capita	-0.0365 (0.0365)	-0.0235 (0.0332)	-0.0216 (0.0323)	-0.0192 (0.0315)	-0.0726* (0.0385)

Note: Column 5 is the regression discontinuity (margin of victory < 30%). Columns 1 - 5 include state and year fixed effects & cluster errors by state level. Columns 2 - 5 include demographic controls, columns 3 - 5 include controls for local legislature partisanship, columns 4 - 5 include controls for state representatives in Congress.

Extensions

- Better regression discontinuity
  - Narrower threshold
  - Power trade-off
- Closer proxy for ideology
  - Abortion is the most politically divisive issue according to Gallup
  - Have the data, just need to clean it and run regressions