Appendix:

Table 1: Incumbents and Winners in the U.S. election (1992-2016)

	Election Year	Incumbent President	Incumbent Party	Winner	Winner Party
1	1,992	George H.W. Bush	Republican	Bill Clinton	Democratic
2	1,996	Bill Clinton	Democratic	Bill Clinton	Democratic
3	2,000	Bill Clinton	Democratic	George W. Bush	Republican
4	2,004	George W. Bush	Republican	George W. Bush	Republican
5	2,008	George W. Bush	Republican	Barack Obama	Democratic
6	2,012	Barack Obama	Democratic	Barack Obama	Democratic
7	2,016	Barack Obama	Democratic	Donald Trump	Republican

Table 2: Step I Variables: Summary Statistics

Statistic	N	Mean	St. Dev.	Min	Max
rep.share	18,663	0.57	0.14	0.07	0.97
repshare.lag	18,662	0.56	0.13	0.07	0.95
rep_incumb	18,672	0.50	0.50	0	1
unemp_gro	18,672	0.02	0.20	−0.67	2.36
rural_percent	18,672	58.49	31.44	0.00	100.00
white.percent	18,329	0.65	0.11	0.08	0.84
Pop	18,363	92,431.41	299,329.00	55	9,970,436

Table 3: Step III Variables: Summary Statistics

Statistic	N	Mean	St. Dev.	Min	Max
resid	3,045	0.04	0.05	−0.19	0.24
rep.share	3,045	0.67	0.16	0.04	0.97
repshare.lag	3,045	0.61	0.15	0.07	0.97
pred_repshare	3,045	0.63	0.15	0.10	0.99
is.rep.2012	3,045	0.78	0.41	0	1
is.rep.2016	3,045	0.85	0.36	0	1
pop	3,059	103,670.00	332,792.50	112	10,170,292
unemp_gro	3,059	−0.28	0.13	−0.70	1.00
manu_share_gro	2,640	0.01	0.17	−0.82	1.96
lfpr_male_gro	3,059	−0.98	3.46	−26.50	26.30
av_wage_gro	3,053	0.05	0.12	−1.01	1.49
gini_gro	3,059	0.01	0.02	−0.15	0.13
uneduc	3,059	0.09	0.04	0.01	0.31

```
Hausman Test
```

data: rep.share ~ unemp_gro + repshare.lag + log(Pop) + white.percent + ... chisq = 2448.9, df = 7, p-value < 2.2e-16 alternative hypothesis: one model is inconsistent

```
Lagrange Multiplier Test - time effects (Breusch-Pagan) for
unbalanced panels
```

data: rep.share ~ unemp_gro + repshare.lag + log(Pop) + white.percent + ... chisq = 3803100, df = 1, p-value < 2.2e-16 alternative hypothesis: significant effects