Presidential Success and the World Economy

−−Supplemental Information−−

This document presents materials that are not intended for print publication, but which will be of interest to some readers. It includes the following sections:

A Data Description and Sources

The data used in this paper is organized into four separate datasets. One with country/year observations, another with observations organized by election, and two datasets with monthly data (one for Brazil, and another for Mexico). The data and their sources are described, below:

- Figure 1 uses the following yearly data (note that GET is computed monthly for the Time Series analysis)

  - Commodity prices: UNCTAD. Price index is for "All groups in terms of current dollars". 2000=100
    `http://unctadstat.unctad.org/TableViewer/tableView.aspx?ReportId=28769`
  - U.S. interest rates: FED Saint Louis U.S. 10 Year Treasury Constant Maturity Rate
    `http://research.stlouisfed.org/fred2/series/GS10`
  - GET was computed as the principal components score of each year produced by combining the previous two indicators

- Figure 2 uses the following country/year data:

  - Dependence on Commodities is $(A - B)/(A + C)$ based on:
    A Merchandise exports in current US$, from WTO
      `stat.wto.org/StatisticalProgram/WSDBStatProgramHome.aspx`
    B Machinery exports in current US$, from WTO
      `stat.wto.org/StatisticalProgram/WSDBStatProgramHome.aspx`
    C Exports in commercial services in current US$, from WTO
      `stat.wto.org/StatisticalProgram/WSDBStatProgramHome.aspx`
  - Debt service as a share of exports is A/B
    A Debt service on external debt; Series DT.TDS.DECT.CD in the World Bank Data Bank.

      B Total merchandize exports; Series NE.EXP.GNFS.CD. in the World Bank Data Bank.

      ∗ Values for Chile were computed directly by the Central Bank of Chile, and taken from foreign debt reports for 2000, 2006, and 2011 that are available at `http://www.bcentral.cl/eng/publications/statistics/external-sector/ext02.htm`

      ∗ Values for Uruguay were not available. We imputed figures for Uruguay as the average of values for Brazil and Argentina.

- Regressions in Table 1 use the following country/year data:

  - Growth rates; Series NY.GDP.MKTP.KD.ZG in the World Bank Data Bank

  - (log of) Inflation rates; Series NY.GDP.DEFL.KD.ZG from the World Bank Data Bank

  - Unemployment rates; Series SL.UEM.TOTL.NE.ZS from the World Bank Data Bank

  - Domestic interest rates (Real interest rate); Series FR.INR.RINR from the World Bank Data Bank

- Regressions in Table 2 use the following data (with observations by election):

  - Whether the incumbent government elected its successor; Coded by the authors, as described in the text and detailed in Section C of this Supplemental Information packet.

  - GET Index; Computed by us, as the average value of the monthly GET index in the 12 months prior to the election

  - Whether the incumbent ran; Coded by authors, as described in the text

  - Ideology of the outgoing government: From Campello (2014).

- Time series regressions in Table 3 used popularity data from Mexico and Brazil, as described in the text, and further detailed in Section E of this supplemental information packet.

B   Alternative Rendering of GET

The idea behind GET is to capture, in a single variable, the state of the world from the perspective of LSCE countries. As such, we implemented GET as the scores of each yearly/monthly observation on a principal components reduction of the two dimensional matrix of commodity prince index and US interest rates. Given the structure of our data, principal component scores are a linear transformation of factor analytic scores, but while both are mean centered, principal components have their standard deviation set to 1. An alternative rendering of GET consists of simply adding together both constituents parts, after each is normalized to an index where 1980=100[1]. Figure A.5 shows that this rendering is almost identical to our preferred principal components version (the linear correlation between the two is 0.987). This would, perhaps, be a more intuitive rendering of GET, but we believe that the fact that principal components

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[1]This is done after inverting the polarity of interest rates, so that "higher" values reflect "positive" outlooks in both constituent parts.

return the best 1-dimensional approximation of the original 2-dimensional data matrix is a good justification for their usage. GET, as the first dimension in the data, captures 74% of the total variance, and each variable has a communality of 0.64 with the final index. As such, it is both parsimonious and informative.
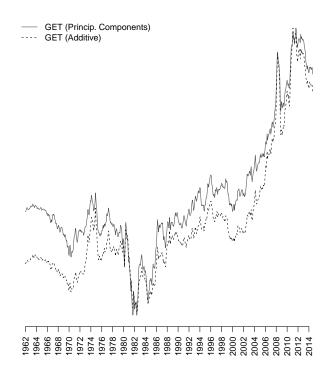

Figure A.5: Two Alternative Renderings of GET

Figure shows our preferred principal components rendering of GET and an alternative normalized-additive rendering, since 1962 (the first year for which the UNCTAD commodity price index if available.

C   Coding of Presidential Reelection

Our coding of reelections and incumbent vote was done in four steps. 1) We identified all presidential elections held in Latin America between 1980 and 2012 and excluded elections deemed not free and/or fair; 2) we determined who the incumbent president (and party) was; 3) we determined who the incumbent candidate(s) was(were); 4) we coded the case as reelection= 2 if the incumbent president won reelection; 1 if the incumbent supported candidate won candidate won; and 0 otherwise (in the paper, we collapsed categories 1 and 2).

Discarding Unfree and Unfair Elections: For step 1 we used Mainwaring, Peréz-Linan & Brink's coding of Latin american regimes. Our argument requires that unpopular incumbents be able to lose an election, but it does not necessarily require "full democracy." Mainwaring, Peréz-Linan & Brink's coding of Latin American democracies is particularly appealing because they code separately four different types of "violations" (deviations from democracy), two of which ("elections" and "franchise") relate directly to electoral politics. We kept in the sample

all elections that were held in years that their data set code the country as having no violations in these two categories. This meant excluding the following elections DOM94, ELS84, ELS89, HON85, HON09, MEX88, MEX94, NIC84, NIC2011, PAN89, PAR89, PAR93, PAR98, and PER00.

We chose to depart from Mainwaring et al's coding *only* in the case of Venezuela 2006. They code Venezuela as having some electoral violations during 2004–2012 period. While we concede that the 2012 elections in Venezuela were "free but not fair," because of Chavez's tight control over the media and persecution of opposition supported, the fact that Chávez lost the constitutional referendum in 2008 suggests that he could have lost the 2006 elections as well. In fact, the previous version of their data set coded Venezuela as not having any violations through 2007.

Coding of reelections   Step 4 was quite straightforward once steps 2 and 3 were concluded. In most cases, steps 2 and 3 were relatively simple. However, there are several cases that deserve greater attention. We describe here our general coding criteria, and subsequently briefly describe each possibly controversial case.

Most of the controversial cases occur when the incumbent government did not field a candidate. Most of these are "first" elections, held at the tail end of a dictatorial regime, but some cases include elected incumbents. In almost all cases, the incumbent was member of a clearly identifiable political group. Therefore, we considered not fielding a candidate the same as losing an election. This makes sense in most cases, we believe, because the decision not to field a candidate is endogenous to the bad political outlook.

Consider, for instance, that the Argentine military regime did not field a candidate in 1983 elections. One option, here, would be to code this elections as not-observed. However, a comparison to Chile in 1989 shows that even outgoing military regimes *can* field political candidates or support a political candidate in subsequent elections.

In most cases, when a interim president was in charge and did not present a candidate, we also coded the case as not being a reelection (0). The rationale here is that interim presidents *can* become relevant political players (as in Brazil 1994 and Argentina 2003).

The most controversial cases occur when a clearly non-partisan and apolitical caretaker was in power for a very short time at the time of the election (Bolivia 2005, Uruguay 1985). In these cases, we considered the last "political" or potentially political incumbent as the reference. Non-partisan apolitical caretakers typically are supreme court justices who are simply overseeing the transition, which is different from military governments.

Some elections in Uruguay, Honduras and Argentina had multiple candidates affiliated with the president's party. We sought to determine who, if anybody, had the support of the outgoing president, and then proceeded as before.

In a few cases, such as Brazil 1994, Colombia 2006, and in some cases of coalitions (Bolivia, Chile), the president supported a candidate not from his party. This was typically fairly straightforward to code. In other cases (Argentina 1999) the president did not support his party candidate. As long as the president did not support another candidate, we considered his party's candidate as the incumbent candidate.

- Argentina 1983: Incumbent=Bigonne (Military), Reelection=0
  None of the presidential candidates were supported by the incumbent non-elected government.

While reelection could have been coded as missing because the government, by not fielding a candidate, could not have won the election, we code it as a non-reelection because the government was so unpopular that it could not muster strength to field a candidate. Had it fielded a candidate in a free and fair election, it would have lost. This stands in contrast to Chile 1989, when the outgoing military regime supported a candidate in free elections.

- Argentina 1999: Incumbent=Menem (PJ), Reelection=0
Menem was denied the opportunity to run for a third term, and did not support the PJ's candidate, Eduardo Duhalde. However there is no doubt that Duhalde had was the Peronist candidate in the election, and as such is coded as the incumbent party candidate.

- Argentina 2003: Incumbent=Duhalde (Interim, PJ), Reelection=1
Duhalde took office in January, 2002, following a succession of extremely short presidencies in the wake of the fall of elected president de la Rúa. By election time, Duhalde had already been ahead of the country for more than one year, and the economic recovery had began, making de la Rúa a distant memory. In the 2003 elections, however, the PJ allowed several candidates to run as "peronists," even though they all ran under different labels. There is no doubt that Duhalde supported Kirchner, even if only to oppose Menem, who was also running. In the first round, Menem narrowly beat Kirchner, but then withdrew from the second round, anticipating defeat.

- Bolivia 1985: Incumbent=Siles Suazo (UDP-MIR), Reelection=0
The only doubt here is whether Paz Zamora, who had been Suazo's vice president, can be considered as the incumbent candidate. In 1984 he broke with the government as its popularity sank, and did not run as the president's candidate. Siles Suazo's party did not support any candidate, and disappeared soon after.

- Bolivia 2005: Incumbent=Carlos Mesa (non-partisan), Reelection=0
Rodriguez Veltzé was a supreme court judge charged with overseeing new elections following the resignation of Carlos Mesa Gisbert. Because Rodriguez was clearly a non-political caretaker, we focus, instead, on the previous incumbent Carlos Mesa who had taken office in October 2003, after Sánchez de Lozada was forced to flee the country. By then, Mesa who has never really been part of the MNR had distanced himself from the president. During his government, he sought out support from Evo Morales, and appointed a non-partisan cabinet. He at first announced he did not intend to serve out the full term but eventually changed course before being forced to resign in June 2005. Had Mesa remained in office until the election and supported a candidate (such as Franco in Brazil 1994) this could have been potentially a reelection. Given that he did not even manage to finish his term, we coded is as a failure to obtain reelection by not even presenting a candidate.

- Brazil 1994: Incumbent=Franco (PMDB), Reelection=1
Itamar Franco broke with elected president Fernando Collor prior to his resignation. Franco, who was unaffiliated to any party during most of his term before joining the PMDB, administered the country with a large coalition. He appointed Fernando Henrique Cardoso foreign minister, and then economic minister, and under his watch, Cardoso oversaw the Real stabilization plan. Franco and his new party overtly backed Cardoso in the election.

- Chile 1989: Incumbent=Pinochet (military), Reelection=0
Although Pinochet was not affiliated to any party, the pro-Pinochet parties coalesced and offered defeated candidate Büchi as a unified candidate of the pro-regime political forces.

- Colombia 2002: Incumbent=Pastrana (PCC), Reelection=0
The conservative coalition that supported Pastrana had trouble finding a candidate, but after a tortuous process decided to field Juan Camilo Restrepo. Meanwhile, Alvaro Uribe had returned from abroad to contest the Liberal Party primaries. After another tortuous process, Uribe presented himself as an independent and Horacio Serpa ran as the liberal candidate. In February, a few months ahead of the election, some conservatives defected to Uribe's camp and eventually the party withdrew its candidate and bandwagoned behind him. However, we cannot label Uribe the

incumbent candidate, as he hailed from the opposing force, was endorsed very late in the race by the incumbent party, and was highly critical of Pastrana, the sitting president.

- Ecuador 1996: Incumbent=Duran-Ballén (PUR); Reelection=0
Sixto Durán-Ballén split from the PSC after the party selected Jaime Nebot Saadi as it candidate in 1992. Durán-Ballén defeated Nebot, and governed with irregular support from the PCE during much of his term. He grew increasingly unpopular as the term progressed, the PUR did not present a candidate in 1996, and essentially disappeared thereafter. He did not formally endorse any candidate, though it was rumored that he preferred Abdalla Buracaran over Nebot, strictly for personal reasons.

- Ecuador 1998: Incumbent=Alarcón (Interim, FRA); Reelection=0
Following Bucarán's resignation in february 11, 1997, and the disqualification of vice-president Rosalía Arteaga, Fabián Alarcon (Frente Radical Alfarista, a small legislative party) then president of the legislative branch took on as interim president. He oversaw a plebiscite on a new constitution, its drafting, and early elections held in 1998, but did participate directly in the elections. The question here is whether to code this case as non-observed or no reelection. We opted for the latter because as a politician Alarcón *could* have followed the path of other interim presidents, and used the office to build some political influence (see Argentina 2003), so we code this case as one of no reelection by lack of incumbent candidate.

- Ecuador 2002: Incumbent: Noboa (UDC); Reelection=0
Gustavo Noboa (UDC), then vice-president, took office after elected president Jamil Mauhad (UDC) was forced to leave office. He stayed course with respect to the dollarization of the economy implemented by Mauhad at the end of his time in office, and oversaw a regular electoral transition. Noboa could have followed other vice presents into becoming a political player (see Brazil 1994), but did not, and did not support any candidate in the 2002 elections.

- Ecuador 2006: Incumbent: Palacio (non-affiliated); Reelection=0
Palacio, then vice president, took office after the elected president Rafael Gutierrez (PSP) was forced out of office. He nominated Rafael Correa as his finance minister, but Correa left after only four months in office complaining about having received only lukewarm support from the president. Correa then ran and won the 2006 elections, without support from Palacio, who did not participate in the elections. Palacio could have followed other vice presents into becoming a political player (see Brazil 1994), but did not.

- Guatemala 1985: Incumbent: Oscar Humberto Mejia (de facto); Reelection=0
General Mejía kept a distance from the constitutional assembly of 1984 and the subsequent election. There is no record of him having supported any candidate and he publicly declined endorsing any candidate. In the compilation of official documents of that election, the electoral tribunal's press release of July 25, 1985 (p.21) states that "el General Mejía dió información sobre diversas cuestiones de interés nacional, inclusive la relativa a gue, categóricamente, no habrá ningún candidato oficial o apoyado por el Gobierno en las elecciones gue se avecinan, ni se impondrán condiciones de ninguna especie al Presidente que resulte electo."

- Guatemala 1995: Incumbent: Ramiro de Leon; Reelection=0
De Leon was the popular national ombudsman who became president after Jorge Serrano and his vice-president Gustavo Espina were deposed following a failed auto-coup. De Leon oversaw the transition to an elected successor without supporting any candidates The doubt here is whether De Leon supported his former party (UCN) candidate Fernando Andrade Díaz-Duran, or no candidate. Although De Leon had been an elected official and founder of the UCN in the 1980s he had abandoned partisan activities at the end of the decade prior to becoming ombudsman and did not support any candidates in the 1995 elections.

- Guatemala 2011: Incumbent: Colón (UNE); Reelection=NA (only NA in the dataset)
Guatemalan law prevented relatives of the sitting President of participating in elections. In August 2011, the constitution court ruled that Sandra Torres, former wife of the current president who

got divorced to run for the presidency, was ineligible, therefore the incumbent was left without a candidate against his will. We coded this case as non-observed.

- Honduras 1981: Incumbent: Paz Garcia (military); Reelection=0
  In principle, the outgoing military regime did not support any candidate, but a majority of the population assumed that the PNH (ultimate losers) would be favored by the military government in power.
- Honduras 1985: Incubent: Suazo Cordova (PLH); Reelection=1
  The incumbent PLH could not decide on a single candidate, so they adopted an "Uruguayan" solution and allowed multiple candidates per party, with pooling. José Azcona Hoyo, the winning candidate, had broken with the sitting president in 1983, who supported his justice minister Óscar Mejiía Arellano. The Liberals won, which makes this a reelection.
- Nicaragua 1996: Incumbent Chamorro; Reelection=1
  Despite the changes in party names, Alemán was from the same political group as the incumbent Chamorro.
- Peru 1980: Incumbent: Bermudez (military); Reelection=0
  Although the military had participated in the drafting of the constitution in 1979, by a decision of president Morales Bermúdez they sat out of the presidential election in 1980.
- Peru 2001: Incumbent: Paniagua (AP, interim); Reelection=0
  Paniagua was selected by the Peruvian Congress to replace ousted president Alberto Fujimori. He served for under one year, oversaw elections, and although he was a longtime member of Acción Popular, his party did not present a candidate and he did not support any other candidate in the 2001 elections.
- Peru 2006: Incumbent: Toledo (PP); Reelection=0
  Toledo did not support any presidential candidate in 2006.
- Peru 2011: Incumbent: Garcia (APRA); Reelection=0
  The APRA did not field any presidential candidate in 2011.
- Uruguay 1984: Incumbent: Gregorio Alvarez; Reelection=0
  Rafael Addiego Bruno was supreme court justice who took office as interim president after the resignation of the last military leader Gregorio Álvarez in february 1985 to oversee the transition to the elected president Sanguineti in march of the same year. His position is very similar to that of Rodriguez Veltzé in Bolivia 2005, as he was clearly not a political president. We refer, then, to the last political president Gregorio Álvarez. Although the military did not field or support any political candidate in the 1984 election, they could have done so in the same way that Pinochet did in Chile 1989. Hence, we coded this case a failure to obtain reelection by not fielding a candidate.
- Venezuela 1993: Incumbent: Velasquez (AD); Reelection=0
  Ramón José Velásuez was elected president by Congress after one month of a provisional government by Octavio Lepage (AD), following the resignation of Carlos Andrés Perez (AD). Although Velasquez was a "consensus" choice by both AD and COPEI, the parties did not appoint ministers to the cabinet. Still, Velazquez was a senator elected by AD, and had been an AD member before, hence, we coded him as being from the AD, even though it was somewhat of a caretaker government. As the winner of the 1993 election was Rafael Caldera (formerly a member of COPEI, but who was the candidate of the newly formed Convergéncia Nacional), this case was coded as a non-reelection.
- Venezuela 1998: Incumbent: Caldera (Convergéncia); Reelection=0
  Caldera's new party (Convergéncia) did not participate in the presidential elections of 1998 and 2000, and since the end of Caldera's term has survived as a small regional and parliamentary party. It supported Rosales in 2006, but no other presidential candidates before that.

Coding of the possibility of running for reelection: Later in this web-appendix we explore the effects of having the president himself/herself contesting elections. For this, we coded not only whether the incumbent was running, but whether incumbent presidents could have ran for office. The list of elections in which incumbent presidents *could have ran* is provided below. In this list, elections that were *not* deemed free and fair, and therefore are not included in the sample, are marked with *.

- Argentina in 1995, 2003, 2007, and 2011. In the two early elections (1983 and 1989) immediate reelection was not allowed and in 1999 the incumbent president (Menem) was already serving his second consecutive term.
- Bolivia in 2009. Prior to this year immediate reelection of the president was not allowed.
- Brazil in 1998 and 2006. Prior to 1998 immediate reelection was not allowed. In 2002 and in 2010 the incumbents (Cardoso, Lula) were already serving their second terms
- Chile (no elections): Immediate reelection of the incumbent was never allowed
- Colombia in 2006. Prior to 2006 reelection of the incumbent was not allowed, and in 2010 the incumbent president (Uribe) was already serving his second term in office
- Costa Rica (no elections): Immediate reelection of the incumbent was never allowed
- Dominican Republic in 1982, 1986, 1990, 1994*, 2004, 2008. Immediate reelection of the incumbent was banned by the 1994 constitutional reform, allowed again in 2002, and banned again in 2010.
- Ecuador in 2009. Prior to 2009 immediate reelection of the incumbent was not allowed
- El Salvador (no elections): Immediate reelection of the incumbent was never allowed
- Guatemala (no elections): Immediate reelection of the incumbent was never allowed
- Honduras (no elections): Immediate reelection of the incumbent was never allowed
- Mexico (no elections): Immediate reelection of the incumbent was never allowed
- Nicaragua in 1986*, 1990 and 2011*: Immediate reelection of the incumbent not allowed between 1990 and 2011.
- Panama (no elections): Immediate reelection of the incumbent was never allowed
- Paraguay in 1989*. The 1992 constitution banned immediate reelection of the incumbent
- Peru in 1995 and 2000*. Prior to 1995, the immediate reelection was not allowed and the constitution was changed to prohibit reelection just before the 2001 elections.
- Uruguay (no elections): Immediate reelection of the incumbent was never allowed
- Venezuela in 2000, 2006, and 2012.

D   Extended Results for Presidential Reelections

We mentioned in Footnote 17 that the inclusion of a measure of competence does not affect the results. The best measure of competence we found is a actually a measure of political risk, available from the International Country Risk Guide, published by Political Risk Services (PRS) since 1985. Given that PRS produces this index based on the assessments and for the business and investment community, it is not a "neutral" indicator of competence, and should be used with care. Still, the index reflect, at least partially, one conception of what competence might mean. The inclusion of this variable, as shown in Table A.4 reduces slightly the effects of GET, but does not substantively change the results; a change in GET from bad to good still produces a change of almost 0.4 in the probability of reelection.

In the main body of the paper we report results controlling for whether the incumbent president ran. The logic for controlling for immediate reelection is that almost all presidents that have sought reelection have won, but only some incumbents were legally allowed to contest

elections, and most of these were located in countries in the LSCE sample and in more recent periods, when GET was higher.[2] Hence, it could very well be that driving force behind the results were really legal changes allowing for reelection in the LSCE sample.

Cross sectional results for presidential reelection, discussed in the paper, and reported in Table A.4, control for the possibility of immediate reelection of the president simply by including an indicator for whether the president was a candidate. The problem is that simply controlling for whether the incumbent president was running would confound the decision to run because the president had expectations of winning with the increased ability to win elections because of incumbency advantages. It turns out that empirically this does not seem to be the case, as only two presidents *chose* not to run, and one (Nestor Kirchner) did so because conditions were so auspicious that he could elect almost any anointed successor, allowing him to return to office four years later.

Still, one alternative is to control for the "possibility of the incumbent running" rather than the incumbent actually running. However, in most countries were reelection was instituted during the period of analysis it was done so precisely because economic performance was auspicious enough that incumbents were widely expected to win (.e.g. Menem in Argentina, Fujimori in Peru, Cardoso in Brazil, Uribe in Colombia, Ortega in Nicaragua). Therefore in the first elections in which reelection were allowed, therefore, the possibility of running for office itself is endogenous to the probability of winning.

To explore these effects, we coded not only whether the incumbent president was a candidate, but whether he/she could have been a candidate, and whether the election was the first following a reelection rule change.[3]

Results with the three different operationalizations of personal reelection yield very similar results. Although the magnitude of the coefficient on GET is smaller than in models that do not control for personal reelection, a change from bad to good levels of GET (as defined earlier in the text) still amounts to an increase in the probability of reelection of at least 0.39 in the LSCE group.

Decomposing GET: In the paper, we report logistic regressions using GET as the main independent variable of presidential reelection. In this section we report equivalent regressions that use U.S. Interest Rates and U.S. Commodity Prices instead of GET. In order to simplify the analysis and avoid multiple interaction terms, we report estimates using only the LSCE countries. Results are almost identifcal using the full sample with interaction terms, as reported in the main body of the paper.

Table A.5 shows results obtained by using the two components of GET as explanatory variables to predict reelection. As before, results are in-line with our expectations, despite the relatively small sample. In all specifications, commodity index has always a positive effect and interest rates a negative effect on the probability of reelections. Individually, the two variables have statistical significant effects, even when controls are included. When both variables are

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[2]Presidents could have contested elections in only 19 of the 107 elections deemed free and fair. They effectively chose to run in 15 cases, having won reelection 13 times.

[3]Rules governing immediate reelection varied across free and fair elections in in 9 countries during the period studied. The great majority of changes were in the direction of allowing immediate reelection where it had previously not been allowed, but in Peru, Dominican Republic and Nicaragua there were also changes in the other direction.

Table A.4: Determinants of Reelection, Controlling for Personal Reelection and "Political Risk"

| | Incumbent Ran | | Incumbent Allowed to Run | Political Risk |
	All Elections	No Rule Changes		
GET Index	0.103	-0.090	0.325	0.055
(Std. Error)	(0.161)	(0.209)	(0.262)	(0.447)
p-value	*0.522*	*0.666*	*0.214*	*0.902*
GET Index × LSCE	0.893	1.101	0.603	0.849
	(0.383)	(0.412)	(0.417)	(0.599)
	0.020	*0.008*	*0.149*	*0.156*
Incumbent Ran	2.453	2.302		
	(0.793)	(1.155)		
	0.002	*0.046*		
Incumbent Allowed to Run			2.459	
			(0.719)	
			0.001	
Political Risk				0.043
				(0.017)
				0.011
(Intercept)	-0.981	-0.889	-1.188	-3.544
	(0.412)	(0.428)	(0.487)	(1.091)
	0.017	*0.038*	*0.015*	*0.001*
LSCE	-0.027	-0.270	0.104	0.362
	(0.533)	(0.575)	(0.575)	(0.535)
	0.959	*0.638*	*0.856*	*0.499*
Baseline Error	0.368	0.319	0.368	0.392
Model Error	0.245	0.245	0.236	0.340
Prop. Reduction in Error	0.333	0.233	0.359	0.132
Countries	18	18	18	12
N	106	94	106	97
ΔProb. Reelection LSCE	0.42	0.39	0.39	0.39
Conf. Interval	[0.19,0.68]	[0.16,0.63]	[0.18,0.61]	[0.11,0.65]
ΔProb. Reelection Comparison	0.04	-0.04	0.13	0.02
Conf. Interval	[-0.07,0.17]	[-0.18,0.13]	[-0.03,0.29]	[-0.26,0.34]

All models are estimates with standard errors clustered by country. The first model was reported in Table 2 in the main body of the paper as Mod. 4. N is lower than in the middle column because it excludes the years in which there were change in reelection rules. First Differences are the change in probability of reelection associated with moving from a "bad" international economy to a "good" international economy (i.e. from one standard deviation below to one above the mean of the GET index), with the respective 95% confidence intervals, for each subsample.

entered simultaneously, the statistical significance of commodity prices fall below conventional levels. This is due to the fact that they do vary together, to some extent. The important point, however, is that commodity prices and U.S. interest rates are always *jointly significant*, and produce substantively large effects.

The last rows in Table A.5 show the changes in probability of reelection as the international economic outlook changes from "bad" to "good." We defined bad (good) outlook by setting

Table A.5: Determinants of Incumbent Candidate Reelection (1980–2012)

	Interest Rates		Commodity Index		Both	
	Cl. SE	Cl. SE	Cl. SE	Cl. SE	Cl. SE	Cl. SE
US Interest Rates	-0.438	-0.420			-0.373	-0.366
(Std. Error)	(0.087)	(0.081)			(0.087)	(0.088)
p-value	*<0.001*	*<0.001*			*<0.001*	*<0.001*
log(Commodity)			2.382	2.251	0.983	0.862
			(1.110)	(1.082)	(1.280)	(1.301)
			0.032	*0.038*	*0.443*	*0.508*
Ideology		-0.490		-0.444		-0.397
		(0.490)		(0.422)		(0.505)
		0.317		*0.293*		*0.432*
(Intercept)	2.272	2.533	-12.096	-11.124	-2.925	-2.071
	(0.577)	(0.574)	(5.463)	(5.250)	(6.497)	(6.616)
	<0.001	*<0.001*	*0.027*	*0.034*	*0.653*	*0.754*
Baseline Error	0.400	0.400	0.400	0.400	0.400	0.400
Model Error	0.354	0.338	0.308	0.308	0.308	0.308
Prop. Reduction in Error	0.115	0.154	0.231	0.231	0.231	0.231
N	65	65	65	65	65	65
Countries	10	10	10	10	10	10
ΔProb. Reelection	0.48	0.47	0.37	0.35	0.54	0.52
Conf. Interval	[.34,.63]	[.32,.62]	[.10,.66]	[.10,.62]	[.29,.78]	[.27,.76]

The dependent variable is a binary indicator of whether the incumbent party was reelected. Proportional reduction in error compares the estimated model relative to the baseline error (i.e. a null model). First Differences are the change in probability of reelection associated with moving from a "bad" international economy to a "good" international economy (i.e. from one standard deviation below to one above the mean of each component of the GET index), with the respective 95% confidence intervals.

commodity prices one standard deviation below (above) and U.S. interest rates one standard deviation above (below) their means for the period. In all specifications, the change in probability of reelections is statistically significant. Substantive effects range from just 0.35 for the model with just commodity prices to over 0.5 in the model with both variables. The first difference with both variables is very close to the effects found for GET in Model 1 in Table 2. US Interest rates seem to be the stronger predictor, but the contribution of commodity prices is far from negligible.

E   Notes on Popularity Data

For Brazil, just over 70% of all our observations were compiled and made available by journalist Fernando Rodrigues (`noticias.uol.com.br/politica/pesquisas/`), but our data set expands the number of observations by using several other sources. Three data points exist for the period between 1985 and 1987, but they are too sparse to used reliably and were dropped. At the time of writing, data already existed for 2013, but some covariates were not available beyond December 2012.

For Mexico, most of the surveys covering the Salinas and Zedillo governments were fielded by the *Oficina de la Presidéncia de la República Mexicana* (OPRM). Almost all of the surveys for the Calderón period were fielded by Consulta Mitofsky, and for the Fox presidency we found a balance between the two sources. We also obtained some results from Reforma, a news organization. Most of the data were collected from the BIIACS/CIDE archives (`http://biiacs-dspace.cide.edu`), and from Consulta Mitofsky (`http://consulta.mx/web`), but some were obtained from other sources. We discarded a large number of data points that were not representative of the national population. More specifically, we discarded all samples that covered only four cities or less, or that focus on only one or two states. We kept samples of 6, 10, and 13 cities in different states (common in the Salinas years), as well as properly nationally representative samples.

For both countries we used only nationally representative surveys, or at least surveys that covered the major metropolitan areas. In Brazil all surveys were face-to-face, but in Mexico we resorted to phone-based surveys in some months when no face-to-face survey was available. When using telephone surveys, we always have at least four different surveys in the month, and only used surveys with at least 500 respondents each. Although we collected other types of data, we use only surveys that asked some variation of the approval question shown in Table A.6.

Sampling procedures and question wording vary across pollsters, and overtime within pollsters, but we made an effort to minimize variation in the questions to the extent possible. In Brazil, the "popularity" question has been asked by the main pollsters in very similar formats since the late 1980s, and all of them use a standard five level scale that ranges from excellent to terrible. The original text of the questions is reported in Table A.6, below.

Imputation of Missing Data: We used Amelia II to conduct multiple imputation for the months with missing values. All of the missingness occurs exclusively in the popularity data (i.e. the independent variables are fully observed). We used a logit transformation to force Amelia to impute values between 0 and 1, and included leads and lags in the imputation. Figure A.6 shows observed popularity values and imputed observations for the popularity of the six Brazilian presidents, and the subsequent figure shows the equivalent data for Mexico.

Table A.6: Wording of Popularity/Approval Questions

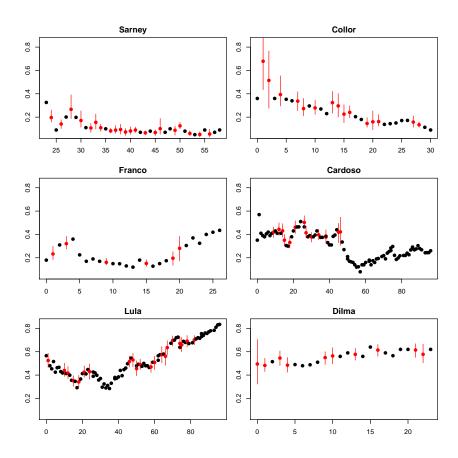|	Brazil
Sensus	O(A) Sr.(a) avalia o governo do/a Presidente [NAME] como? [Ótimo, Bom, Regular, Ruim, Péssimo] Como você avalia o desempenho do governo presidente [NAME]? Está sendo ótimo, bom, regular, ruim ou péssimo?
Datafolha	Na sua opinião, o/a presidente [NAME] está fazendo um governo ótimo, bom, regular, ruim ou péssimo?
Ibope	Na sua opinião, o/a presidente [NAME] está fazendo um governo ótimo, bom, regular, ruim ou péssimo? Na sua opinião, o/a presidente [NAME], até o momento, está fazendo um governo ótimo, bom, regular, ruim ou péssimo?
Vox Populi	De uma maneira geral, como você avalia o desempenho do Presidente Lula à frente do governo federal: Ûtimo, bom, regular, ruim ou péssimo? Como vocêÍ avalia o desempenho do presidente Fernando Henrique Cardoso à frente do governo: está· sendo ótimo, bom, regular, ruim ou péssimo?
	Mexico
OPRM	En general, est[aá usted de acuerdo o en desacuerdo con la manera como está gobernando el Presidente [NAME]? [de acuerdo, parcialmente de acuerdo, en desacuerdo] En general, øestá usted de acuerdo o en desacuerdo con la manera como está gobernando el Presidente [NAME]? [acuerdo, acuerdo en parte, desacuerdo en parte, desacuerdo]
Consulta Mitofsky	En general, está usted de acuerdo o en desacuerdo con la manera en que está· gobernando el presidente?

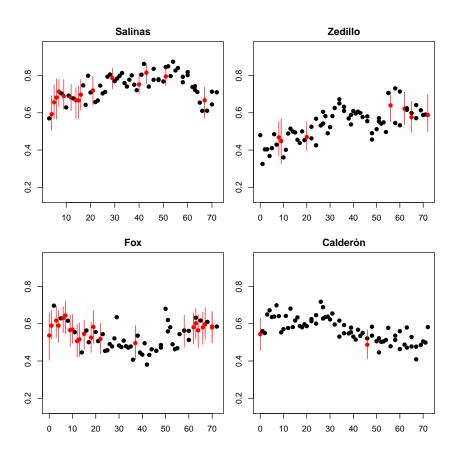Figure A.6: Imputed and Observed Values of the Dependent Variable in Brazil

Figure A.7: Imputed and Observed Values of the Dependent Variable in Mexico

F   Extended Results for Presidential Popularity

Due to space restrictions, we excluded Figure A.8, below, from the main body of the paper. These figures show the fit of a very simple OLS regression of popularity on GET in both Brazil and Mexico, and are referred to at the start of the section on popularity.

Visual inspection of the data suggests that is at least some room for deviation from the international determinants. Cardoso probably reaped the rewards of currency stabilization, as Lula of his redistributive policies. Though both stabilization and redistribution were at least partially made possible by a benign economic outlook, in both moments presidents were able to make the most of good economic times. Domestic crisis, such as the energy shortages of Cardoso's second term and corruption scandals during Lula's first term, also seemed to have taken a toll on president's popularity. However, we leave exploration of these and other interesting nuances in the data for future research.

Also for parsimony, in the main body of the paper we omitted the estimates of pollster effects from the time series estimates (Table 3) Hence, in Table A.7 we report the complete set of estimates.

Additional Specifications: Table A.8 shows several additional time series specifications for Brazil. In all of them GET has a significantly positive effect on the popularity of Brazilian presidents. The first column reports results from the same LagDV model reported in the main paper, but which is estimated on a data set in which missing observations of popularity were *not* imputed. The effect of GET is slightly smaller than in the specification reported in the paper.

The second column reports the ADL specification, which is a more general case of the LagDV model we report. Although the coefficient on GET is actually negative, it needs to be interpreted in conjunctions with the coefficient on the lagged value of the GET index (More on this, below). But given that the coefficient on the lag of GET is not significant, it makes sense to reduce this model to the LagDV version we report in the paper.

The third column is an ARMA(1,1) model, which is the analogous model that we report for Mexico. Here, too, we see a statistically significant impact of GET on popularity. The coefficient is much larger than in the previous models because the AR-1 process assumes only an immediate effect of GET on popularity, so the bulk of the effects get included in the immediate coefficient.

Finally, the last column reports the results if we include a control for GDP. As discussed in the main body of the paper, the inclusion of GDP amounts to blocking the indirect path between GET and popularity, and thus allows us to estimate the direct effect, describe in Figure 3 by the diagonal arrow. Per our argument, we expect that no such effect exists, which is corroborated by the insignificant coefficient on GET shown in the Table.

Along these same lines, mediation analysis following Imai, Keele, Tingley & Yamamoto (2011) using GDP growth as a mediator variable shows that about 90% of the total effects are channeled through domestic GDP. The mediating equation was defined simply as a regression of GDP on the GET index, while the outcome equation was a regression of popularity on GET, GDP, time in office, pollster, and the lag GDP. In this setup, the average mediator effect across the five imputed datasets was 1.76 (SE=1.29) while the average total effects were 1.99 (SE=0.67).
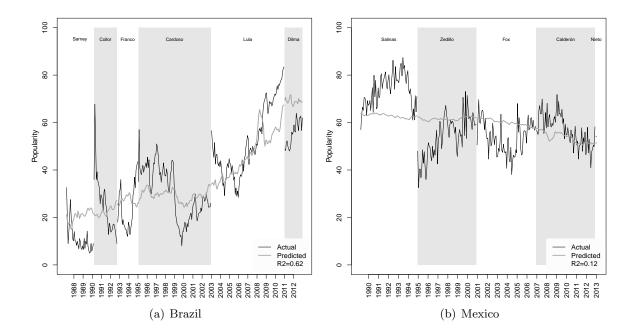
Figure A.8: Predicted and Actual Popularity of Presidents in Brazil and Mexico

Figures show actual popularity of Brazilian and Mexican presidents as well as the predicted popularity based on the simplest possible OLS model including only the GET Index as a predictor. Shaded backgrounds represent the different presidencies, and presidents' names appear at along the top.

Response Functions: The impulse response function is the change in popularity if a positive unit shock in GET were observed in a single period followed by a return to the original pre-shock level. In our substantive case, this scenario is theoretically unlikely, but the figure shows that such a shock would produce an immediate increase in popularity of 1.76 (the coefficient on GET in Model 7), and that this effects would slowly wane and popularity would return to its original levels.

The unit response function is more substantively interesting, as it reflects the change in popularity that is observed when there is a "permanent" increase of one unit in GET. The effects of such an increase begin as an increase in presidential popularity of 1.76 percentage points, and rise at a declining rate, over time. After 12 months, popularity would be just about 11 percentage points higher, and this effect would eventually converge to 13.8 (Figure 9(a)).[4]

Figure 9(b) reports the impulse and unit response functions derived from this specification. With the exception of the first month after the change in GET, results are similar to those reported for the LagDV in the main model. The effects of the increase in GET will converge to 15.0, just slightly higher than the 14.8 predicted by the LagDV model.[5]

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[4]The equilibrium levels of popularity are given by the expression $\frac{\beta_0}{1-\rho}$, where β_0 is the coefficient on GET and ρ is the coefficient on lagged popularity.

[5]Long term equilibrium is given by $\frac{\beta_0+\beta_1}{1-\rho}$, where β_0 is the coefficient on GET, β_1 on the lag of GET, and ρ is the coefficient on lag of popularity.

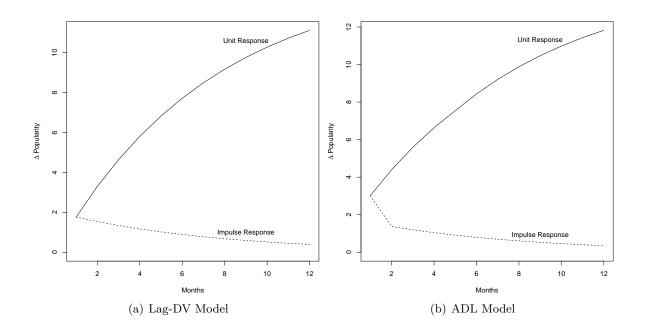<div align="center">(a) Lag-DV Model   (b) ADL Model</div>

Figure A.9: Response Functions of GET on Popularity of Brazilian Presidents

Figure shows impulse and unit response functions over the course of an year of a change in GET occurring at month 1, over the course of one year, computed for the Lag-DV and for the ADL models. See text for details.

More on Diagnostics: In the Brazilian case, visual inspection of the residuals of a simple OLS regression, as well as tests for unit root suggests that the models was stationary. However, analysis of the ACF and PACF functions of the residuals and formal tests showed clear signs of autocorrelation in the original series. Our first approach to the autocorrelation was simply the inclusion of the lagged dependent variable in an OLS model. This type of model makes theoretical sense in our case, and has the advantage that it can also be fitted on the non-imputed data.

Although LagDV models have been out of favor in the profession (Achen 2000), Keele & Kelly (2006) make the case that LagDV models can be unbiased if they are used in a truly dynamic data generating process (such as the dependence of presidential popularity on the state of the economy) as opposed to a common factor data generating process, that bias is relatively less of an issue in mid-sized samples (as ours) as long as there is no (or low) residual autocorrelation.

Analysis of the residuals in the Brazilian series suggests that the inclusion of the lag purges serial correlation. Additional specifications such as AR-1 and ARMA(1,1) also show white noise residuals. In Table A.9, below, we report a series of statistical tests that fail to reject the null hypothesis of no residual autocorrelation in all three model specifications.

In the Mexican case, in contrast, we found residual autocorrelation even after the inclusion of the lagDV, as indicated by both the Box-Pierce and the Breusch-Godfrey tests where we can reject the null of no autocorrelation. We decided not to estimate a lagDV model with AR-1 processes, as this would require the use of instruments. Instead, we searched for the most parsimonious specification that generated white noise residuals, which turned out to be the

ARMA(1,1) model we report in the paper.

Decomposing GET: Table A.10 show results that obtain using U.S. Interest Rates and (log of) Commodity Index in the time series analysis of the international economic determinants of presidential popularity in each country. These two variables are the constituent parts of the GET Index, that is used in the main body of the paper. As the table shows, GET is always positive and statistically significant. When individually considered, interest rates always contribute negatively to presidential performance while commodity prices contribute positively.

In Mexico, on the other hand, the two constituent parts have opposite signs in most specifications. Commodities are not statistically significant in the more reliable specifications, which is in line with the fact that Mexico is not a commodity exporter. U.S. interest rates have a positive effect on the Mexican economy, probably because they serve as an indicator of good international purchasing power in the US, which stimulates the Mexican economy. In the ARMA(1,1) specification, however, the effect is not significant.

Substantively, the results support the argument laid out in the main body of the paper. The exogenous state of the economy has a strong influence on presidential popularity in Brazil (which is a LSCE country), but not in Mexico (a comparison country).

Table A.7: Time Series Analysis for the Effect of GET on Popularity

	Mod 7 Brazil	Mod 8 Mexico
GET Index	2.04	-2.65
(Std. Error)	0.66	2.68
p-value	<0.01	0.32
No Pollster (Imputed)	-0.22	-0.24
	1.36	1.74
	0.88	0.89
Pollster 1	-0.80	3.52
	1.20	2.65
	0.50	0.19
Pollster 2	0.01	1.90
	1.22	7.35
	0.99	0.80
Pollster 3	1.63	-1.37
	1.34	1.28
	0.22	0.29
Pollster 4	-0.15	
	2.02	
	0.94	
lag Popularity	0.86	
	0.04	
	<0.01	
(Intercept)	3.93	60.75
	1.27	4.18
	<0.01	<0.01
ma1		-0.52
		0.06
		0.00
ar1		0.96
		0.02
		0.00
R2	0.90	0.74
Diagnostics		
Augmented Dickey-Fuller	-12.64	-11.91
t	0.00	0.00
n	0.01	0.02
Box—Pierce	0.89	0.13
p-value	0.34	0.72
Breusch–Godfrey	1.65	0.33
p-value	0.57	0.86

Table reports complete set of estimates, some of which were omitted from Table 3 in the main body of the text.

Table A.8: Additional Specification of Time Series Analysis for Brazil

	Lag DV (no imputation)	ADL	ARMA(1,1)	Lag DV with GDP
GET Index	1.66	-1.20	8.79	0.57
(Std. Error)	0.70	4.63	4.86	1.46
p-value	0.02	0.80	0.07	0.70
lag(GET)		3.27		
		4.69		
		0.49		
GDP				0.07
				0.06
				0.29
No pollster (Imputed)		-0.30	0.29	0.17
		1.37	1.18	1.46
		0.83	0.81	0.91
Pollster 1	0.28	-0.89	-1.12	-0.35
	0.96	1.21	0.95	1.23
	0.77	0.46	0.24	0.78
Pollster 2	0.76	-0.05	0.13	0.40
	1.19	1.22	0.95	1.25
	0.53	0.97	0.89	0.75
Pollster 3	2.19	1.59	2.41	1.51
	1.12	1.34	1.05	1.35
	0.05	0.24	0.02	0.26
Pollster 4	0.49	-0.24	0.50	-0.20
	1.58	2.03	1.44	2.02
	0.76	0.91	0.73	0.92
lag (Popularity)	0.92	0.86		0.86
	0.03	0.04		0.04
	0.00	0.00		0.00
(Intercept)	1.80	4.02	31.20	-2.84
	1.10	1.29	4.64	6.42
	0.10	0.00	0.00	0.66
ar1			0.90	
			0.06	
			0.00	
ma1			-0.04	
			0.11	
			0.71	
R2	0.94	0.90	0.90	0.90

Table A.9: Autocorrelation Diagnosis for the Lag-DV Model in Brazil and Mexico

		Durbin-Watson		Box-Pierce		Breusch-Godfrey	
		h-statistic	p-value	Statistic	p-value	LM test	p-value
Brazil	*LagDV*	2.10	0.42	2.21	0.14	3.31	0.44
	AR1	2.14		2.71	0.10	3.03	0.40
	ARMA(1,1)	2.00		0.01	0.94	0.33	0.85
Mexico	LagDV	2.50	<0.01	18.24	<0.01	35.37	<0.01
	AR1	2.52		19.31	<0.01	19.56	<0.01
	ARMA(1,1)	1.97		0.13	0.72	0.33	0.86

Table reports tests for residual autocorrelation for different time series models. Models in *italic* were those reported in the paper. P-values for the Durbin-Watson h-statistic are only readily available for OLS estimates.

Table A.10: International Factors and Presidential Popularity

	Brazil				Mexico			
		Imputed Data				Imputed Data		
	Lag-DV	Lag-DV	AR-1	ARMA(2,1)	Lag-DV	Lag-DV	AR-1	ARMA(2,1)
Interest Rates	-0.28	-0.33	-3.51	-3.31	0.95	1.50	2.39	0.03
SE	(0.24)	(0.28)	(1.06)	(1.13)	(0.55)	(0.42)	(1.06)	(1.14)
p-value	*0.23*	*0.24*	*<0.01*	*<0.01*	*0.09*	*<0.01*	*0.03*	*0.98*
Commodities	5.00	4.37	17.38	14.95	-7.98	-5.70	-3.95	-8.07
	(1.42)	(1.56)	(7.17)	(8.85)	(3.06)	(2.67)	(5.36)	(6.46)
	<0.01	*0.01*	*0.02*	*0.09*	*0.01*	*0.04*	*0.46*	*0.21*
Time in office						0.06	0.12	0.10
						(0.02)	(0.06)	(0.04)
						0.01	*0.07*	*0.02*
Lag-DV	0.89	0.86			0.75	0.71		
	(0.03)	(0.03			(0.07)	(0.05)		
	<0.01	*<0.01*			*<0.01*	*<0.01*		
AR1			0.87	0.90			0.78	0.96
			(0.03)	(0.05)			(0.04)	(0.02)
			<0.01	*<0.01*			*<0.01*	*<0.01*
MA1				-0.11				-0.54
				(0.12)				(0.06)
				0.39				*<0.01*
R2	0.96	0.91	0.91	0.91	0.71	0.70	0.70	0.75

Table reports time series estimates of the effect of international variables on presidential popularity in Brazil and Mexico All models also include dummy indicators for pollsters.

G   Competence vs. Chance

As we mentioned in Footnote 13, we present, in this section, analysis of the relative magnitude of the effects of domestic variables on presidential success, vis-a-vis international factors.

The results in the main body of the paper are evidence that citizens in the LSCE sample are responding to exogenous economic conditions, which suggests that voters are unable to discount world conditions when making their assessments of incumbents. A subsequent, and secondary, question refers to the relative size of "competence shocks" vis-à-vis "exogenous shocks" in determining presidential success. This question cannot be answered directly through an "either or" type of analysis, as the structure of our argument implies that GET affects domestic performance, which in turn affects how voters behave. We cannot, therefore, directly include an indicator of domestic performance in the same regression as the GET index because, as previously stressed, this would amount to controlling for a consequence of our exogenous independent variable.

One alternative proposed by Leigh (2009) is to compute the extent to which each country's actual performance deviated from what the exogenous variable would predict. In practice, this amounts to simply computing the residuals of a regression of GDP on GET.[6] Positive(negative) residuals are indicators of better(worse) than predicted performance, and are treated as a direct measure of "competence", which can be pitted against the "chance" component represented by the exogenous GET variable.

Table A.11 reports the same cross-sectional specifications for the LSCE sample previously reported in Table 2, except that each now includes the above mentioned operationalization of "competence" (i.e. merit) as well "chance," represented by GET. The coefficients on GET remain above 1, retain high levels of statistical significance, and imply an increase of at least 0.38 in the probability of victory of the incumbent supported candidate as GET moves from "bad" to "good," as previously defined. The coefficient on competence is significant in some, but not all specifications. In first model in the table, in which the effect of competence is significant at the 0.05 level, one shift from one standard deviation below to one standard deviation above the mean value in the sample would imply a chance in probability of reelection of 0.17 (roughly half as much as the change in GET).

If we employ an alternative implementation of this same idea, in which the residuals (or competence) are computed from regressing ΔGDP on ΔGET, we obtain very similar results (Table A.12). As shown by Table A.12, the cross sectional results for the effect of competence v. chance on the election of incumbent supported presidential candidates are substantively identical. The coefficients on GET are statistically significant and close to 1, while coefficients on competence are significant in some but not all specifications.

We also adapted this procedure to the time series analysis for Brazil, regressing GDP data on the GET index and lagged GDP, and treating the residuals as the measure of competence.[7] We then re-estimated Model 7, which was reported originally in Table 3, with the inclusion

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[6]These residuals were estimated on yearly observations. For symmetry with our other indicators we computed the average value of competence over the year prior to each election. We also computed an alternative specification of those regressions where ΔGDP was regressed on ΔGET. Results obtained are substantively identical, and reported below.

[7]We used a quarterly series with interpolated to generate monthly data. In the web-appendix we report essentially identical results produced by regressing ΔGDP on ΔGET.

Table A.11: GET Index, "Competence" and Presidential Reelection (LSCE Sample Only)

	Mod. 9 Cl. SE	Mod. 10 FE	Mod. 11 RE	Mod. 12 Cl. SE	Mod. 13 Cl. SE
GET Index/Chance	1.146	1.522	1.203	1.003	1.124
(Std. Error)	(0.344)	(0.503)	(0.386)	(0.359)	(0.345)
p-value	0.001	0.002	0.002	0.005	0.001
Competence/Merit	0.082	0.150	0.093	0.061	0.079
	(0.035)	(0.084)	(0.066)	(0.046)	(0.038)
	0.018	0.076	0.160	0.179	0.038
Incumbent Ran				2.892	
				(1.246)	
				0.020	
Ideology					-0.223
					(0.579)
					0.700
(Intercept)	-0.644	0.528	-0.668	-1.039	-0.469
	(0.346)	(0.980)	(0.351)	(0.422)	(0.526)
	0.063	0.590	0.057	0.014	0.372
Baseline Error	0.400	0.400	0.400	0.400	0.400
Model Error	0.292	0.262	0.277	0.200	0.292
Prop. Red. in Error	0.269	0.346	0.308	0.500	0.269
Countries	10	10	10	10	10
N	65	65	65	65	65
First Differences (GET)					
ΔProb. Reelection	0.47	0.50	0.48	0.42	0.46
Conf. Interval	[0.24, 0.70]	[0.16, 0.79]	[0.19, 0.73]	[0.18, 0.67]	[0.23, 0.68]

Coefficients are logit estimates. Standard errors are shown in parenthesis and p-values in *italics*. Table header indicates whether clustered standard errors, fixed effects, or random effects (intercepts) were used to account for the hierarchical nature of the data. The dependent variable is a binary indicator of whether the incumbent supported candidate was reelected. GET Index and Competence were operationalized as the average values over the 12 months prior to each election. First Differences are the change in probability of reelection associated with moving from a "bad" international economy to a "good" international economy (i.e. from one standard deviation below to one above the mean of the GET index), with the respective 95% confidence intervals.

of the indicator. Results confirm that the effect of GET remains all but unaltered, and that competence has negligible effects. The coefficient is statistically indistinguishable from zero (0.11, SE=0.55, p-value=0.84) while the coefficient on GET is 2.03 (SE=0.61, p-value <0.01), *almost unchanged* relative to what is reported in Table 3.

The same pattern is observed in the equivalent time series analysis. In the main body of the paper we reported the coefficients on GET and Competence obtained by re-estimating the time series model of presidential popularity in Brazil (i.e. Model 7 in Table 3 of the paper) with the inclusion of "Competence", but we did not include any tables with these results. In Table A.13 we report the complete estimates as well as what is obtained with the alternative specification of "Competence", discussed above.

Table A.12: Alternative Conceptualization of Competence v. Luck and Presidential Reelection

	Cl. SE	FE	RE	Cl. SE	Cl. SE
GET Index	1.028	1.313	1.071	0.896	0.988
(Std. Error)	(0.367)	(0.494)	(0.396)	(0.372)	(0.365)
p-value	*0.005*	*0.008*	*0.007*	*0.016*	*0.007*
(Alternative) Competence	0.122	0.279	0.152	0.102	0.124
	(0.069)	(0.138)	(0.100)	(0.105)	(0.069)
	0.076	*0.043*	*0.129*	*0.332*	*0.072*
Incumbent Ran				2.891	
				(1.214)	
				0.017	
Ideology					-0.375
					(0.570)
					0.510
(Intercept)	-0.648	1.031	-0.686	-1.040	-0.350
	(0.352)	(1.121)	(0.368)	(0.413)	(0.551)
	0.066	*0.358*	*0.063*	*0.012*	*0.525*
Baseline Error	0.400	0.400	0.400	0.400	0.400
Prop. Red. in Error	0.308	0.346	0.385	0.462	0.269
Model Error	0.277	0.262	0.246	0.215	0.292
Countries	10	10	10	10	10
N	65	65	65	65	65

Coefficients are logit estimates. Standard errors are shown in parenthesis and p-values in *italics*. Table header indicates whether clustered standard errors, fixed effects, or random effects (intercepts) were used to account for the hierarchical nature of the data. The dependent variable is a binary indicator of whether the incumbent supported candidate was reelected. GET Index and Competence were operationalized as the average values over the 12 months prior to each election.

In sum, deviations from the economic performance predicted by international factors do not influence voters' assessments of presidents. Even if they did, however, this would not affect our more general finding that international exogenous factors strongly affect voters assessments of presidents.

Table A.13: Competence v. Chance and Presidential Popularity in Brazil

	Mod. 7 (with "Competence")	Mod. 7 (with alt. "Competence")
GET Index	2.03	1.75
(Std. Error)	0.61	0.56
p-value	<0.01	<0.01
Competence	0.11	0.09
	0.55	0.57
	0.84	0.88
lag Popularity	0.87	0.87
	0.03	0.03
	<0.01	<0.01
(Intercept)	3.99	3.65
	1.20	1.20
	<0.01	<0.01
Pollsters Indicators	Yes	Yes
N (months)	310	310

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