Housing Bubbles and Incumbent Support

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1. Local housing markets
2. The Danish Case
3. Precinct-level data
4. Individual-level data
5. Conclusion

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Important: We look at support for incumbent, not preferences for redistribution.

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   - Two-wave panel survey of reported voting

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We link precincts to zip-codes by identifying the zip code of the precinct's polling place.
$\rightsquigarrow$ we also have information on unemployment and median income in each zip-code.

$$govt_{it} = \Delta price_{it} + \epsilon_{it}$$

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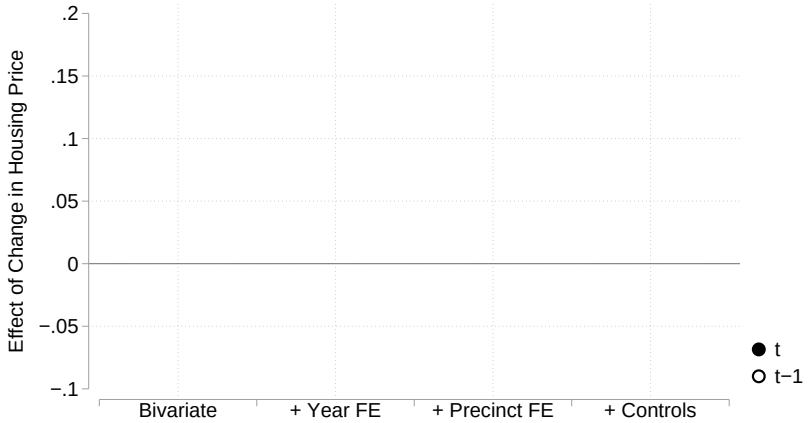
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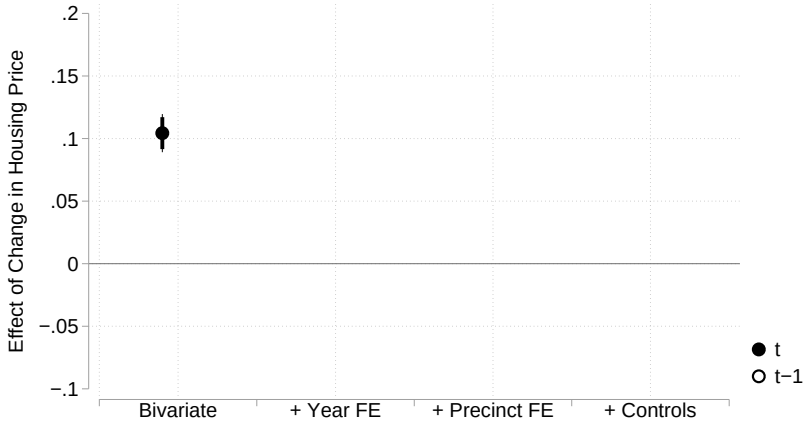
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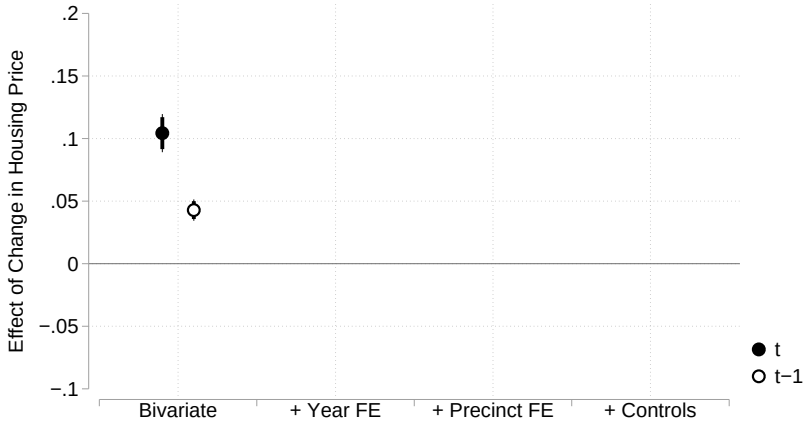
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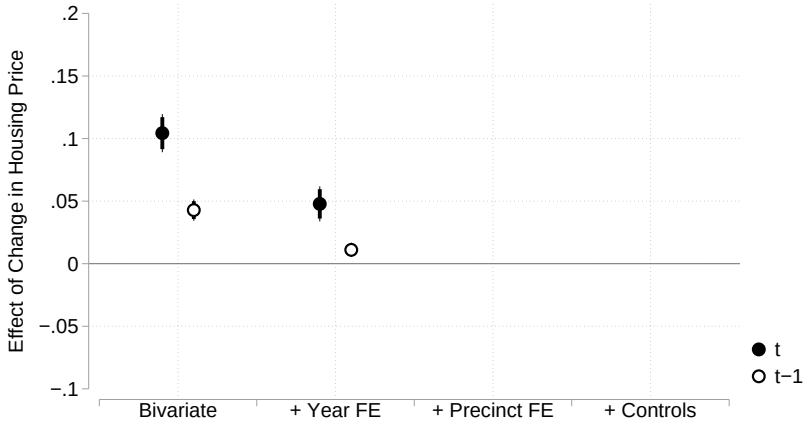
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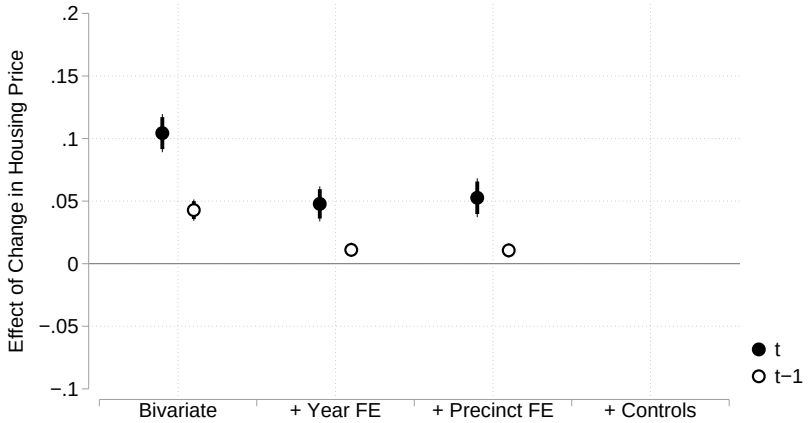
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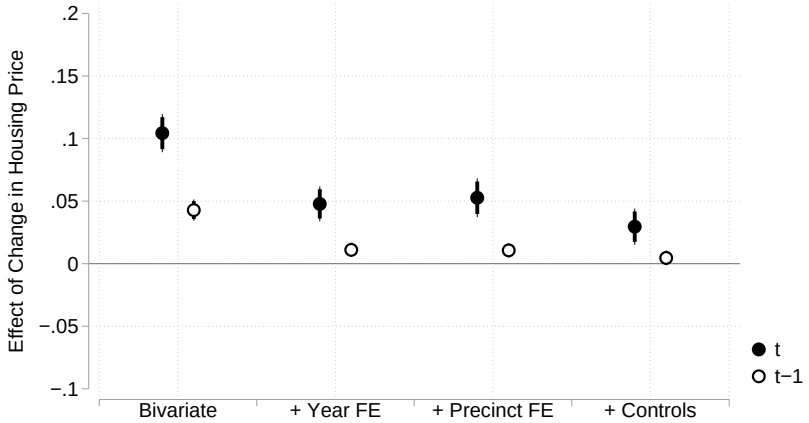
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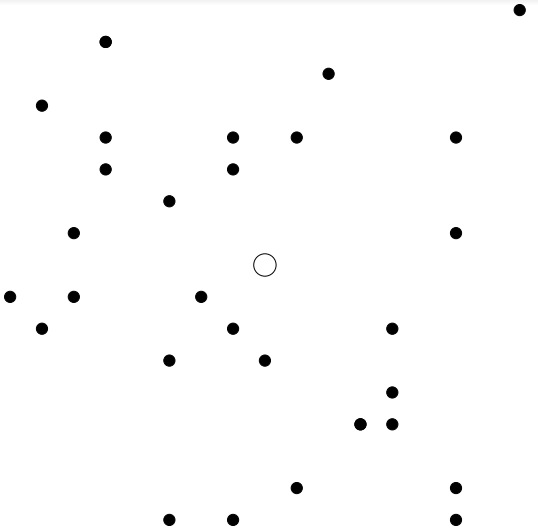
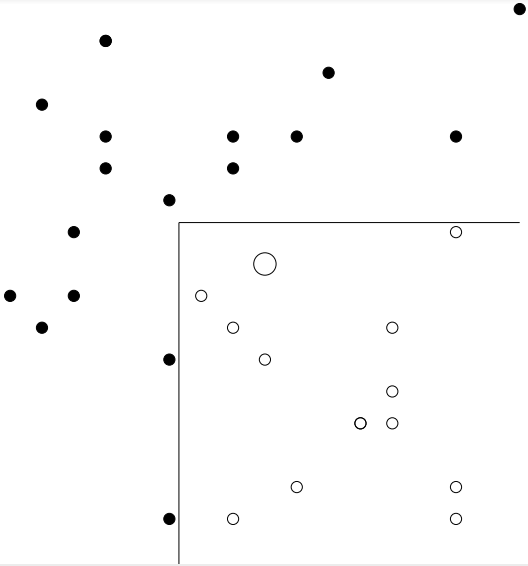
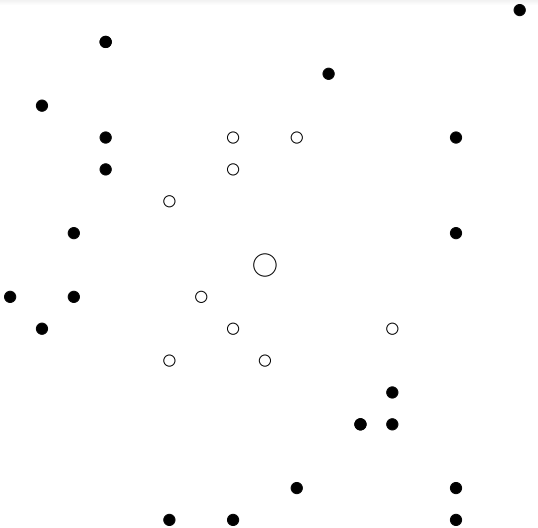
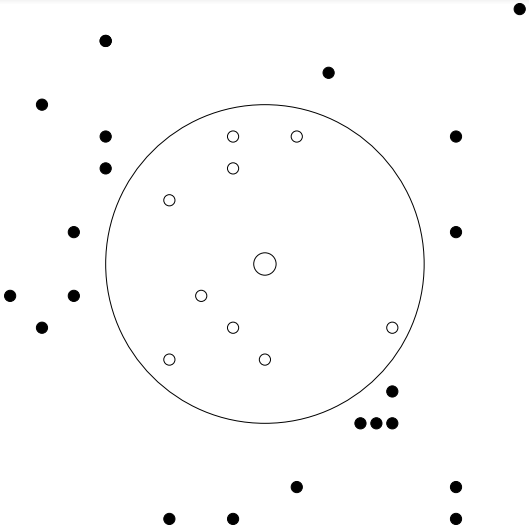
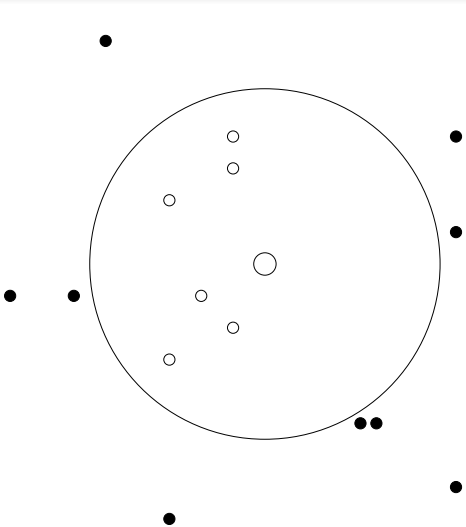
- Allows us to define context in flexible ways (cf. MAUP).











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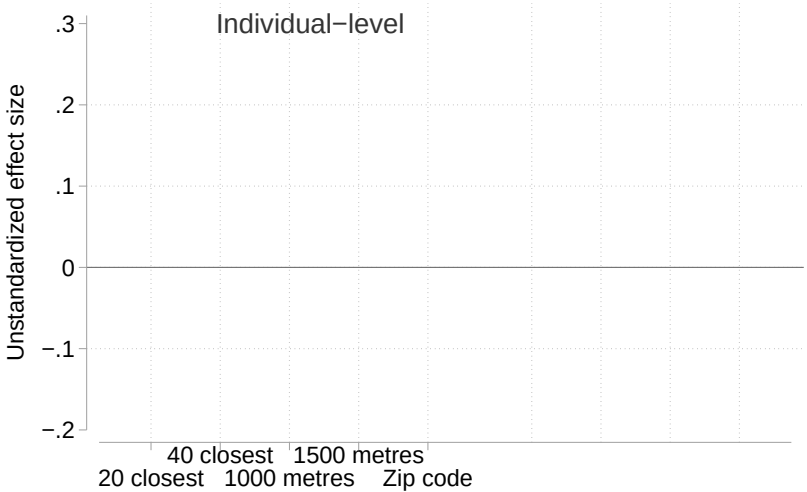
$\rightsquigarrow$ Use an LPM as a link function.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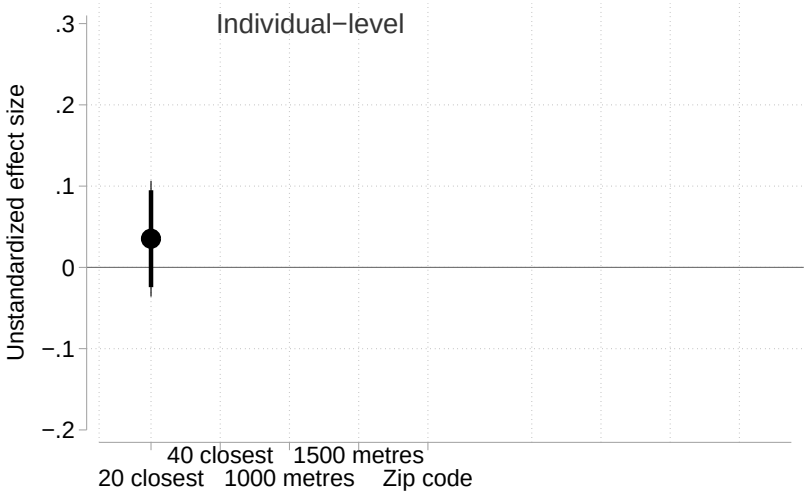
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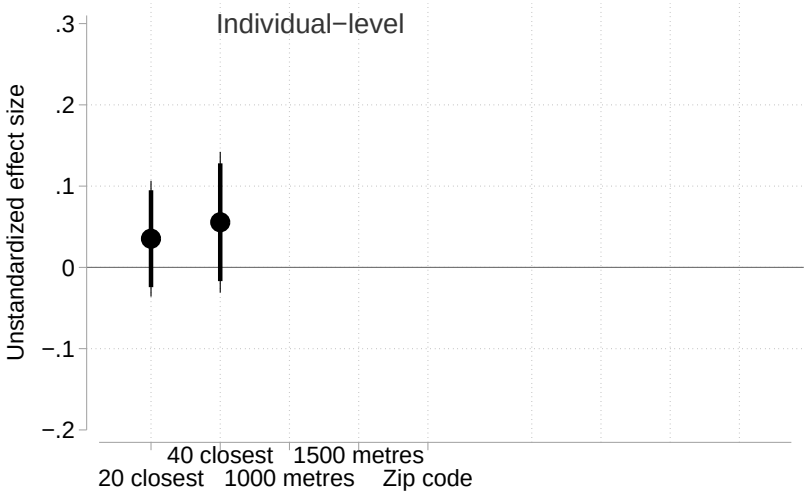
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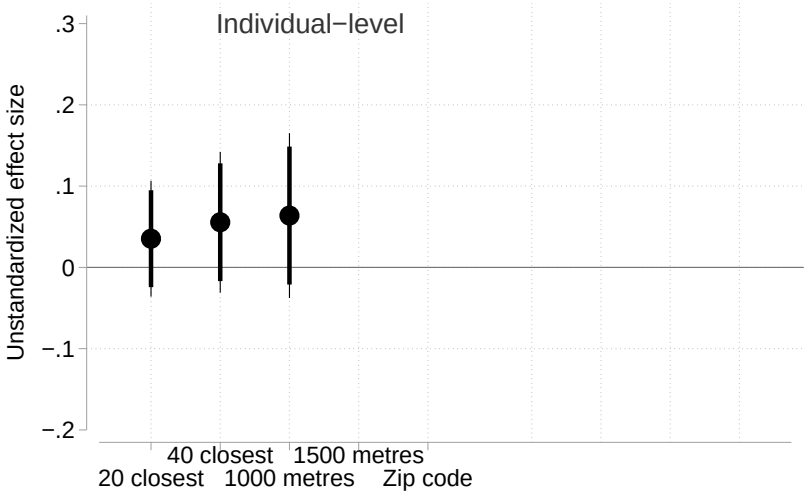
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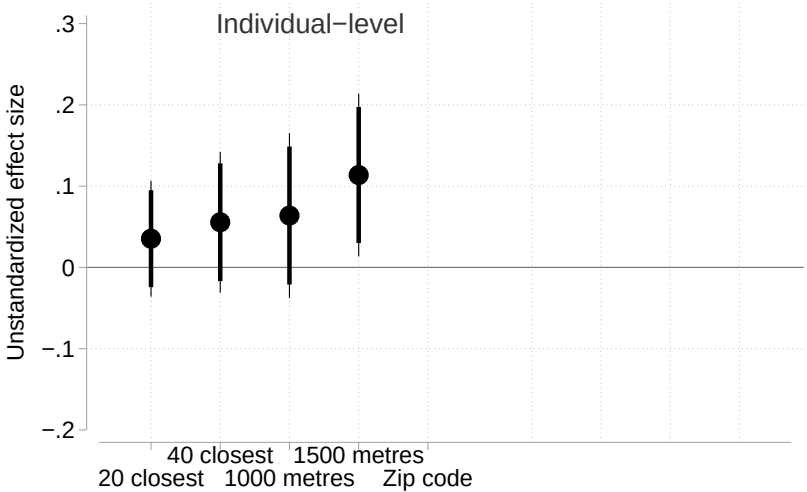
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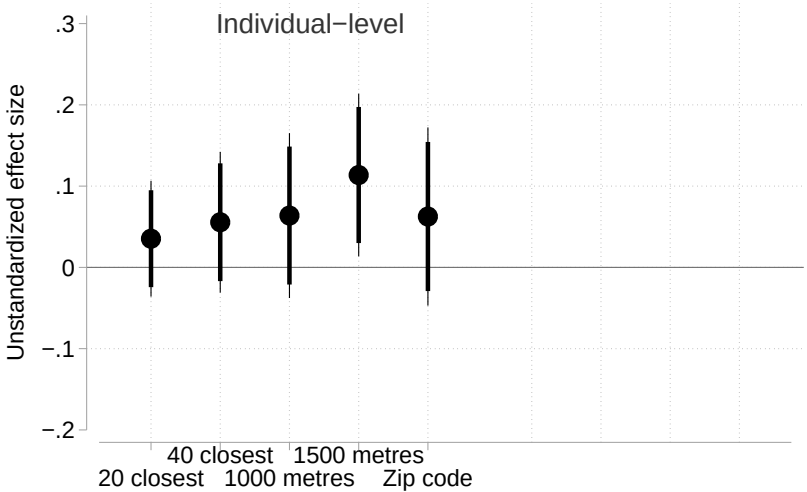
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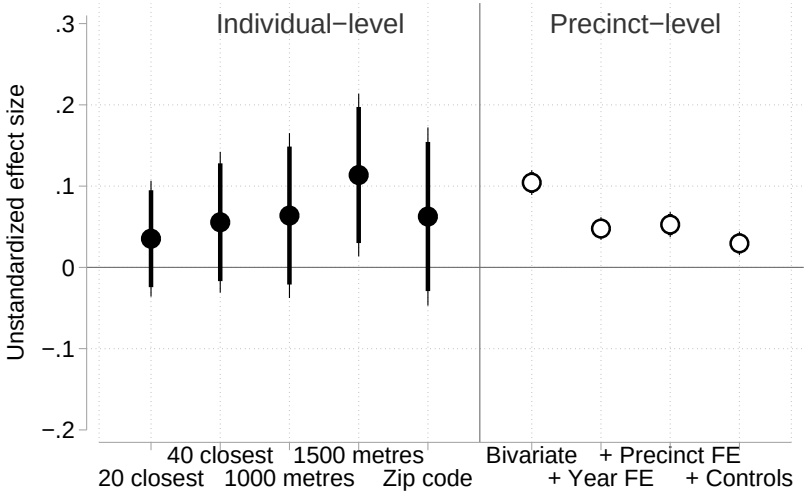
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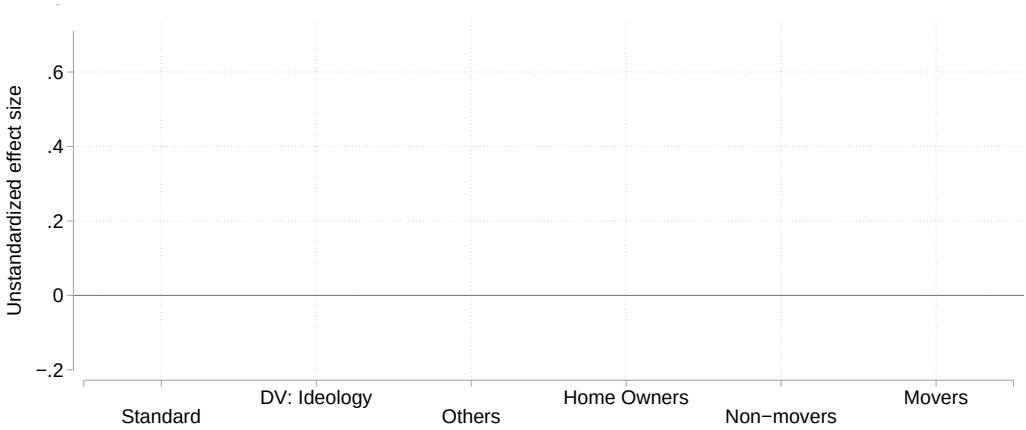
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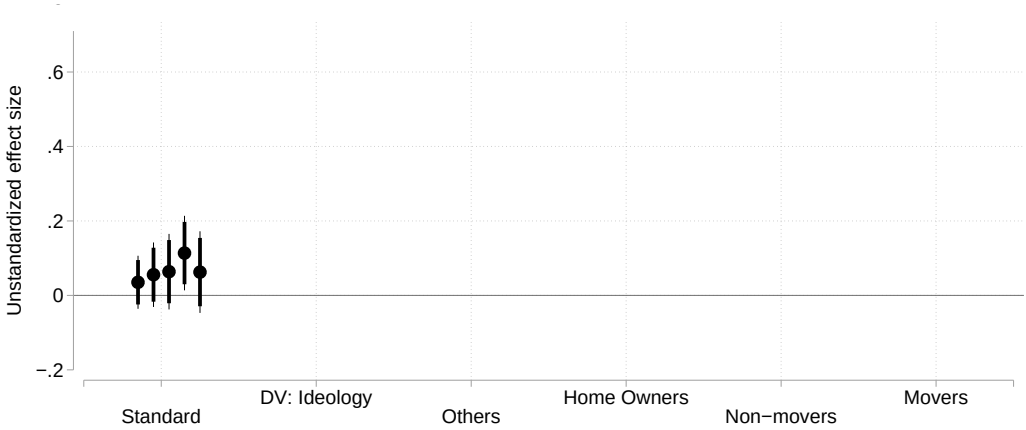
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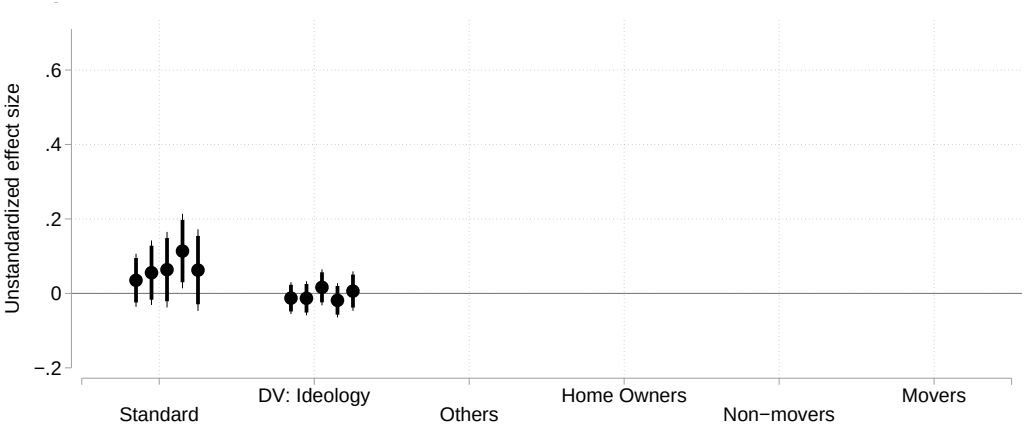
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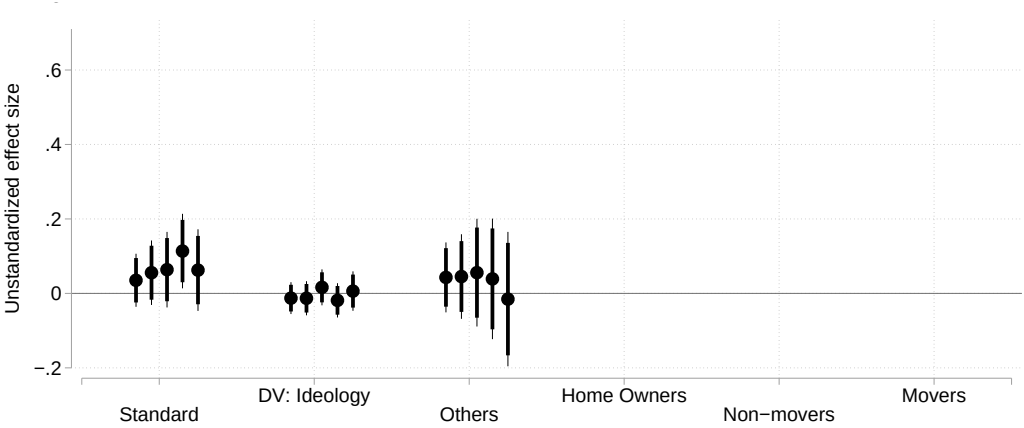
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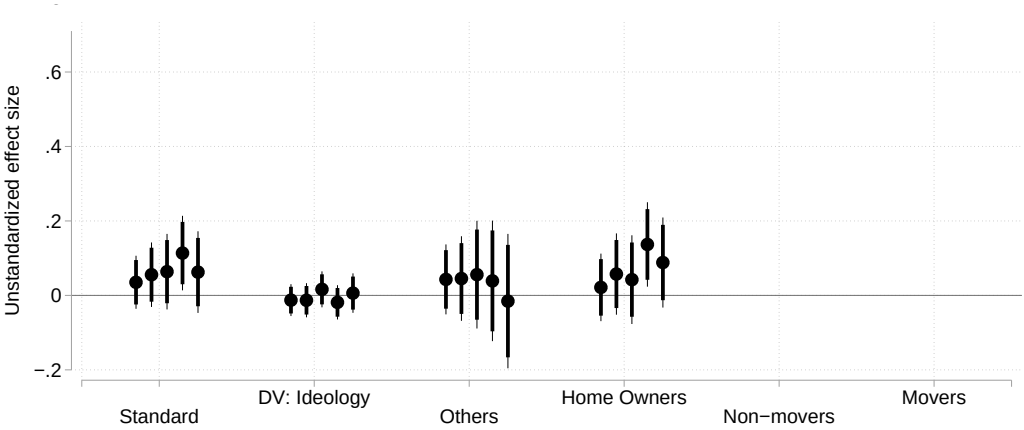
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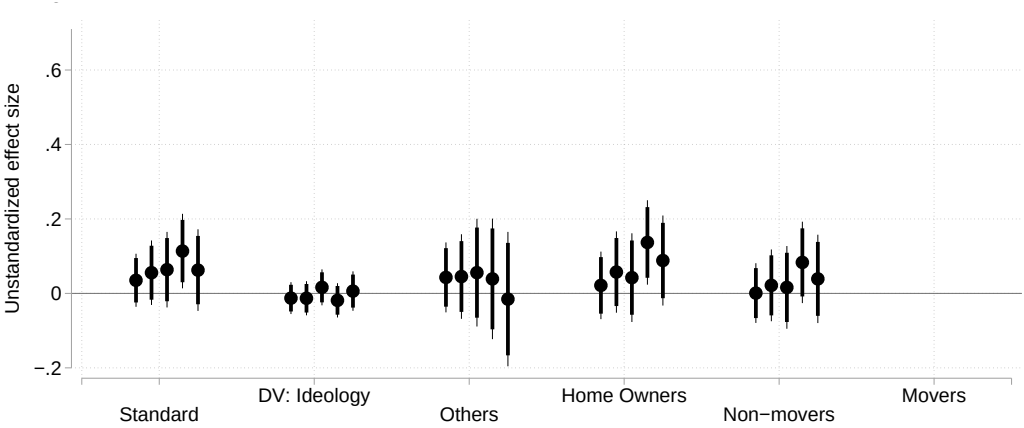
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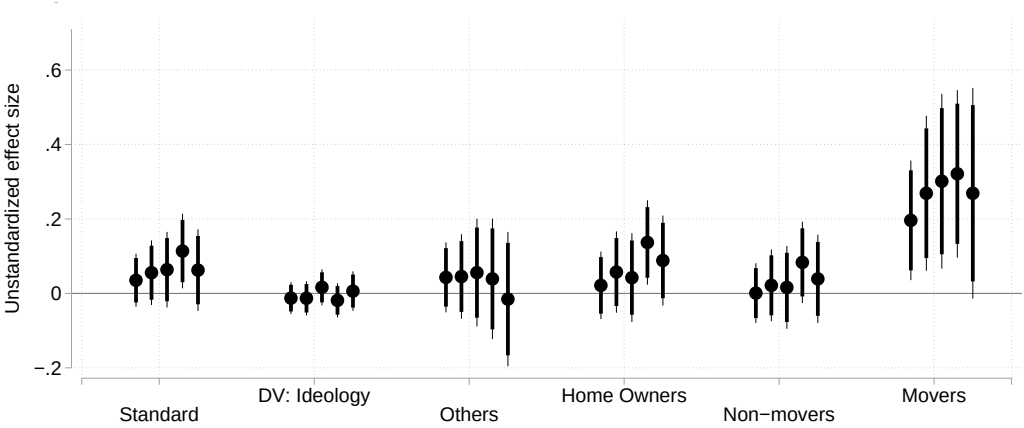
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Also suggests that, more broadly, housing markets matter politically.
$\rightsquigarrow$ voters will adapt, focus on new parts of the economy.