Replication - Lagged Variables and Fixed Effects

Adopted from Gamm and Kousser (2021)

Table 1 with Lagged Variables and State Fixed Effects

```
# print Lagged Table 1
stargazer(lag1_mod1_se, lag1_mod2_se, lag1_mod3_se,
          lag1_mod4_se, lag1_mod5_se, lag1_mod6_se,
          header = F, type = "latex", digits = 2, style = "apsr",
          title = "Party Competition Does NOT Predict Human Capital and Infrastructure Spending, 1880-1
          column.labels = c("Education spending", "Health spending",
                            "Transportation spending"),
          column.separate = c(2, 2, 2),
          covariate.labels = c("Lagged education spending", "Lagged health spending",
                               "Lagged transportation spending",
                               "Legislative party competition",
                               "Electoral competition", "Democratic house",
                               "Democratic senate", "Democratic governor",
                               "Income per capita", "Foreign-born percentage",
                               "Black percentage", "Other nonwhite percentage",
                               "Urban population percentage"),
          omit = c("Constant", "year_1890", "year_1900", "year_1910",
                   "year_1920", "year_1930", "year_1940", "year_1950",
                   "year_1960", "year_1970", "year_1980"),
          add.lines = list(c("State fixed effects",
                             "included", "included", "included",
                             "included", "included", "included"),
                           c("Year fixed effects",
                             "included", "included", "included",
                             "included", "included", "included"),
                           c("Observations", "258", "249", "187", "182", "234", "228"),
                           c("R-Squared", "0.97", "0.98", "0.89", "0.92", "0.93", "0.94"),
                           c("Adj. R-Squared", "0.97", "0.97", "0.85", "0.87", "0.91", "0.91")))
```

Table 1: Party Competition Does NOT Predict Human Capital and Infrastructure Spending, 1880-1980

| | Education spending | | Health spending | | Transportation spending | |
|--------------------------------|--------------------|--------------|-----------------|--------------|-------------------------|--------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Lagged education spending | 0.72*** | 0.62*** | | | | |
| | (0.14) | (0.14) | | | | |
| Lagged health spending | | | 0.29** | 0.09 | | |
| | | | (0.12) | (0.12) | | |
| Lagged transportation spending | | | | | 0.66*** | 0.61^{***} |
| | | | | | (0.17) | (0.17) |
| Legislative party competition | 0.41 | 0.48 | 0.31^{*} | 0.23 | 0.06 | 0.43 |
| | (0.59) | (0.57) | (0.18) | (0.15) | (0.40) | (0.51) |
| Electoral competition | | -1.15 | | 0.03 | | -1.71 |
| | | (1.13) | | (0.28) | | (1.15) |
| Democratic house | | -12.29 | | 14.60 | | -25.07 |
| | | (34.69) | | (9.94) | | (24.71) |
| Democratic senate | | -60.73^{*} | | -23.92** | | 30.98 |
| | | (32.16) | | (11.75) | | (29.16) |
| Democratic governor | | -37.99 | | -13.41^{*} | | -18.10 |
| | | (31.83) | | (7.60) | | (18.00) |
| Income per capita | | 0.03** | | 0.01*** | | -0.005 |
| • | | (0.01) | | (0.003) | | (0.01) |
| Foreign-born percentage | | -13.78**** | | -2.79** | | -2.16 |
| 1 | | (3.90) | | (1.39) | | (2.05) |
| Black percentage | | -5.37 | | -0.21 | | -2.27 |
| | | (5.13) | | (1.19) | | (2.12) |
| Other nonwhite percentage | | $10.15^{'}$ | | 5.03** | | 7.34^{*} |
| | | (6.80) | | (2.28) | | (4.12) |
| Urban population percentage | | 2.96 | | -0.31 | | 2.90** |
| | | (2.12) | | (0.44) | | (1.16) |
| State fixed effects | included | included | included | included | included | included |
| Year fixed effects | included | included | included | included | included | included |
| Observations | 258 | 249 | 187 | 182 | 234 | 228 |
| R-Squared | 0.97 | 0.98 | 0.89 | 0.92 | 0.93 | 0.94 |
| Adj. R-Squared | 0.97 | 0.97 | 0.85 | 0.87 | 0.91 | 0.91 |

^{*}p < .1; **p < .05; ***p < .01

Table 2 with Lagged Variables and State Fixed Effects

```
# print Lagged Table 2
stargazer(lag2_mod1_se, lag2_mod2_se, lag2_mod3_se, lag2_mod4_se,
         header = F, type = "latex", font.size = "tiny", style = "apsr",
         title = "Spending Levels Do NOT Predict Development, 1880-2010",
         column.labels = c("Infant mortality",
                           "Life expectancy (30 years later)",
                           "High school completion",
                           "Illiteracy rate (30 years later)"),
         covariate.labels = c("Lagged infant mortality", "Current life expectancy",
                              "Health spending per capita",
                              "Lagged high school completion", "Illiteracy (20 years later)",
                              "Education spending per capita", "Income per capita",
                              "Foreign-born percentage", "Black percentage",
                              "Other nonwhite percentage", "Urban population percentage"),
         omit = c("Constant", "south", "year"),
         add.lines = list(c("State fixed effects",
                            "included", "included", "included"),
                          c("Year fixed effects",
                            "included", "included", "included"),
                          c("Observations", "215", "181", "336", "134"),
                          c("R-Squared", "0.98", "0.99", "0.98", "0.72"),
                          c("Adjusted R-Squared", "0.98", "0.98", "0.97", "0.52")))
```

Table 2: Spending Levels Do NOT Predict Development, 1880-2010

| | Infant mortality | Life expectancy (30 years later) | High school completion | Illiteracy rate (30 years later) |
|-------------------------------|----------------------|----------------------------------|------------------------|----------------------------------|
| | (1) | (2) | (3) | (4) |
| Lagged infant mortality | 0.575*** (0.043) | | | |
| Current life expectancy | (, | 0.271*** (0.057) | | |
| Health spending per capita | -0.004 (0.004) | -0.0002 (0.001) | | |
| Lagged high school completion | ` ' | , , | 0.791*** (0.098) | |
| Illiteracy (20 years later) | | | , , | 0.782*** (0.099) |
| Education spending per capita | | | 0.001 (0.002) | 0.003** (0.001) |
| Income per capita | -0.00001 (0.0003) | 0.0001 (0.00005) | 0.00001 (0.0003) | -0.0001 (0.0001) |
| Foreign-born percentage | -0.324** (0.161) | -0.018 (0.026) | -0.109** (0.050) | 0.049*** (0.012) |
| Black percentage | 0.399*** (0.104) | 0.093*** (0.031) | -0.087** (0.039) | -0.037** (0.016) |
| Other nonwhite percentage | 0.303** (0.137) | 0.035 (0.039) | -0.144 (0.092) | 0.072 (0.080) |
| Urban population percentage | -0.211*** (0.047) | -0.011 (0.010) | 0.063** (0.027) | -0.016 (0.010) |
| State fixed effects | included | included | included | included |
| Year fixed effects | included | included | included | included |
| Observations | 215 | 181 | 336 | 134 |
| R-Squared | 0.98 | 0.99 | 0.98 | 0.72 |
| Adjusted R-Squared | 0.98 | 0.98 | 0.97 | 0.52 |

^{*}p < .1; **p < .05; ***p < .01