

COEDITORS
Naomi Feldman
Brian Knight
Kory Kroft
Stephen L. Ross
Heather Royer

Managing Editor
Michelle DeBlasi

BOARD OF EDITORS
David Agrawal
Hunt Allcott
Ghazala Azmat
Andrew Barr
Filipe Campante
David Chan
Steve Cicala
Jeffrey Clemens
Sarah Cohodes
Tatyana Deryugina
Joseph Doyle
Christina Gathmann
Pauline Grosjean
Randi Hjalmarsson
Tatiana Homonoff
Ruixue Jia
Melissa Kearney
Jeanne Lafortune
Corrine Low
Yi Lu
Kalina Manova
Matthew Notowidigdo
Paolo Pinotti
Hitoshi Shigeoka
Timothy Simcoe
Amanda Starc
Dmitry Taubinsky
Arthur Van Benthem
Ebony Washington
Crystal Yang
Sarah Zubairy



American Economic Journal: Economic Policy

Published by the American Economic Association

Lucas Davis, Editor

October 3, 2024

Dr. David Brasington
University of Cincinnati
2925 Campus Green Drive
Cincinnati, OH 45221

AEJPol-2024-0658 "The Effect of Cutting Road Maintenance Spending on House Values, Wages, and Employment in a Developed Economy"

Dear Dr. Brasington:

I write with regards to your submission "The Effect of Cutting Road Maintenance Spending on House Values, Wages, and Employment in a Developed Economy" to the *American Economic Journal: Economic Policy*. I am sorry to report that I have decided not to publish your paper in *AEJ Policy*. Because I have not sent your paper out for review, I have instructed the editorial office to refund half of your submission fee.

I enjoyed reading your analysis of the economic impacts of cutting road maintenance spending in Ohio. Your data collection efforts are impressive. Even so, I do not find your result sufficiently definitive to pass the bar at *AEJ Policy*. The RD figures do not offer a clear treatment effect, as you surely understand. I could certainly appreciate that the effect may not be immediate but perhaps one way to approach the RD analysis is to use housing prices and any other outcome in year $t+5$ or beyond (for example).

The event studies plausibly offer the more natural empirical approach. I'd think it would make more sense to show these figures by normalizing the estimated treatment effects to the year prior to the vote so that the figures provide a more traditional difference-in-difference interpretation.

I also have some questions regarding potentially confounding factors. For instance, cities that consistently fail to renew road maintenance levies might differ systematically from those that consistently pass them in ways that are not fully captured by the evidence presented. I worry that road maintenance is correlated with many other governance and socioeconomic problems at the local level. Figure 7, for example, seems to suggest that urban areas were already experiencing some differences between treatment and control (but again, this would be clearer with the normalization to period $t-1$).

Finally, just a minor comment. Even though estimated coefficients are not statistically significant, it is still important to include them for the reader. I would suggest reporting periods $(t+1)$ through $(t+3)$ in the text. Or, better yet, move all the tables to the appendix and include just the graphical representation of the results in the paper.

Thank you for providing me with the opportunity to consider your paper for publication in *AEJ Policy* and I hope that the current decision does not discourage you from submitting your future policy relevant papers to the journal. I wish you the best of luck with this project.

Sincerely,

Prof. Naomi Feldman
Coeditor, *American Economic Journal: Economic Policy*