

8 Additional tables

Table 9: Effects of selection incentive, own receipts and level of accountability on voting for the incumbent (clustered at the session level)

	Dependent Variable - Vote for the incumbent		
	(1)	(2)	(3)
IA	0.116*** (0.0176)	0.114*** (0.0191)	0.114*** (0.0191)
Own Receipt	0.0129*** (0.000347)	0.0129*** (0.000347)	0.0116*** (0.000481)
Baseline: No accountability			
Partial accountability			0.130*** (0.0150)
Full accountability			0.168*** (0.0265)
Constant	0.140*** (0.0135)	0.0897 (0.0802)	-0.00440 (0.0651)
Controls	No	Yes	Yes
No. of Obs.	11592	11592	11592
R-Squared	0.331	0.338	0.347

Note: Dependent variable takes value 1 if the vote is for the incumbent and 0 if the vote is for the challenger. IA is a dummy variable that equals 1 if there is an incumbency advantage ($\theta > 0$) and 0 if there isn't ($\theta = 0$). Variable Own Receipt is the amount the voter receives. Partial accountability variable takes 1 when the incumbent makes a non zero transfer to the voters but retains a part of the budget and 0 otherwise. Full accountability variable takes 1 when the incumbent transfers the entire budget to the voters and 0 otherwise. They are both compared to the baseline of No accountability. The controls include experimental rounds, gender and participation in a past election. Ordinary least squares (OLS). Standard errors are clustered at the session level. Robust standard errors in parentheses.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 10: Effects of pivotality beliefs on voting for the incumbent (clustered at the session level)

	Dependent Variable - Vote for the incumbent							
	NIA		IA		All			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
belief = pivotal	0.0176 (0.0201)	0.0121 (0.0175)	0.0188 (0.0393)	0.00954 (0.0317)	0.0168 (0.0202)	0.0110 (0.0171)	0.0212 (0.0221)	0.0181 (0.0200)
IA					0.116*** (0.0175)	0.114*** (0.0190)	0.120*** (0.0255)	0.120*** (0.0248)
IA * belief = pivotal							-0.00921 (0.0349)	-0.0147 (0.0315)
Controls	No	Yes	No	Yes	No	Yes	No	Yes
Constant	0.0353** (0.0152)	-0.0129 (0.0686)	0.156*** (0.0267)	-0.0350 (0.147)	0.0378*** (0.0128)	-0.0797 (0.0793)	0.0357* (0.0171)	-0.0835 (0.0792)
No. of Obs.	5880	5880	5712	5712	11592	11592	11592	11592
R-Squared	0.437	0.441	0.394	0.405	0.422	0.428	0.422	0.428

Note: Dependent variable takes value 1 if the vote is for the incumbent and 0 if the vote is for the challenger. belief = pivotal is a dummy variable that takes value 1 if the voter believes that he is pivotal in the election outcome and 0 otherwise. IA is a dummy variable that equals 1 if there is an incumbency advantage ($\theta > 0$) and 0 if there isn't ($\theta = 0$). The controls include experimental rounds, gender, participation in a past election and social preferences. Ordinary Least Squares (OLS). Standard errors are clustered at the session level. Robust standard errors in parentheses.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 11: Effects of pivotality beliefs on voting for the incumbent for each of the strategy cases (clustered at the session level)

	Dependent Variable - Vote for the incumbent						
	Strategy cases						
	(0,0,0)	(0,30,30)	(0,60,60)	(30,30,30)	(30,30,0)	(40,40,40)	(60,60,0)
IA	0.0977** (0.0358)	0.176*** (0.0359)	0.108* (0.0570)	0.132*** (0.0286)	0.255*** (0.0776)	0.0569** (0.0255)	-0.0333 (0.113)
belief = pivotal	0.0452** (0.0195)	0.0625* (0.0323)	0.0448 (0.0546)	-0.266*** (0.0274)	0.323*** (0.0453)	-0.0538** (0.0249)	-0.0279 (0.103)
IA * belief = pivotal	0.0924 (0.0932)	-0.0885 (0.0612)	-0.00441 (0.0870)	0.120** (0.0433)	-0.203* (0.100)	0.00522 (0.0367)	0.118 (0.132)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Constant	-0.0474 (0.0872)	-0.104 (0.113)	0.0614 (0.104)	0.833*** (0.101)	0.00987 (0.144)	0.989*** (0.0621)	0.341 (0.202)
No. of Obs.	1656	1656	1656	1656	1656	1656	1656
R-Squared	0.0693	0.0656	0.0425	0.143	0.0987	0.0250	0.0540

Note: Dependent variable takes value 1 if the vote is for incumbent and 0 if the vote is for the challenger. belief = pivotal is a dummy variable that takes value 1 if the voter believes that he is pivotal in the election outcome and 0 otherwise. IA is a dummy variable that equals 1 if there is an incumbency advantage ($\theta > 0$) and 0 if there isn't ($\theta = 0$). The table shows interactions of treatment and pivotality belief on the decision to vote for the incumbent. The regression analysis is done separately for each of the seven strategy cases that result from the allocation vectors. The controls include experimental rounds, gender, participation in a past election and social preferences. Ordinary Least Squares (OLS). Standard errors are clustered at the session level. Robust standard errors in parentheses.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 12: Effects of being in the favored majority on pivotality beliefs (clustered at the session level)

	Dependent Variable - Pivotality belief			
	(1)	(2)	(3)	(4)
Favored Majority	0.437*** (0.0306)	0.437*** (0.0306)	0.379*** (0.0428)	0.315*** (0.0427)
IA		0.0183 (0.0266)	-0.0400 (0.0393)	-0.0332 (0.0368)
Favored Majority * IA			0.117** (0.0547)	0.117** (0.0547)
Controls	No	No	No	Yes
Constant	0.329*** (0.0202)	0.320*** (0.0227)	0.349*** (0.0278)	0.294*** (0.0967)
No. of Obs.	6624	6624	6624	6624
R-Squared	0.192	0.193	0.196	0.206

Note: Dependent variable takes value 1 if the voter believes that he is pivotal and 0 otherwise. Favored majority is a dummy variable that takes value 1 if the voter belongs to a majority that is favored by the incumbent. This implies that the voter received a positive amount in an asymmetric allocation vector chosen by the incumbent, i.e., either 30 taler in option 4 [60;(30,30,0)] or 60 taler in option 3 [0;(60,60,0)]. IA is a dummy variable that equals 1 if there is an incumbency advantage ($\theta > 0$) and 0 if there isn't ($\theta = 0$). Ordinary Least Squares (OLS). Standard errors are clustered at the session level. Robust standard errors in parentheses.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 13: Effects of selection incentive, own receipts and level of accountability on voting for the incumbent (Probit regression)

	Dependent Variable - Vote for the incumbent		
	(1)	(2)	(3)
Treated (=IA)	0.402*** (0.0849)	0.114*** (0.0238)	0.114*** (0.0238)
Own Receipt	0.0385*** (0.00190)	0.0129*** (0.000457)	0.0116*** (0.000515)
Baseline: No accountability			
Partial accountability			0.130*** (0.0168)
Full accountability			0.168*** (0.0218)
Constant	-1.101*** (0.0615)	0.0141 (0.0803)	-0.0788 (0.0696)
Controls	No	Yes	Yes
No. of Obs.	11592	11592	11592

Note: Dependent variable takes value 1 if the vote is for the incumbent and 0 if the vote is for the challenger. Treated is a dummy variable that equals 1 if there is an incumbency advantage ($\theta > 0$) and 0 if there isn't ($\theta = 0$). Variable Own Receipt is the amount the voter receives. Partial accountability variable takes 1 when the incumbent makes a non zero transfer to the voters but retains a part of the budget and 0 otherwise. Full accountability variable takes 1 when the incumbent transfers the entire budget to the voters and 0 otherwise. They are both compared to the baseline of No accountability. The controls include experimental rounds, gender, participation in a past election. Marginal effects from Probit regression. Standard errors are clustered at the individual level. Robust standard errors in parentheses.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

9 Additional materials - instructions

Welcome to this experiment! Please read the following instructions carefully and completely before you start. A comprehensive understanding of the instructions helps you earn more money.

Your earnings in the experiment will be measured in ‘Taler’. Once the experiment is completed, the Taler that you have earned will be converted into cash and paid to you in private. For every 20 Taler you earn, you receive 1 Euro in cash. Additionally, you also receive a show up fee of 6 Euros.

Please note that you are not allowed to communicate with other participants during the course of the experiment. If you do not obey this rule we reserve the right to ask you to leave the room and not pay you the show up fee. If you have any questions or clarifications please raise your hand and we will help you.

The Tasks

You take part in an interaction that resembles a political process with political decision making and voting. You are, with four other participants, randomly assigned to a group of five. In each group there are two politicians - an incumbent and a challenger, and three voters. At the beginning of the experiment you will be assigned to either the role of a politician or the role of the voter.

The political interaction proceeds according to the following rules.

1. Each politician has to decide on how to allocate a budget of 120 taler if s/he is the incumbent politician in the first office period. There are five possible ways in which the budget can be allocated (as indicated in Table 1).

These options will appear on the computer screen of each politician.

2. Once the politicians have made their choices, one of the politicians is randomly chosen as the incumbent politician. The option chosen by this politician is implemented. The option chosen by the politician who becomes the challenger is not implemented. Payment to the voters and the incumbent politician in this stage depends on the option chosen by the incumbent. Irrespective of the options chosen by incumbent, the challenger receives a

fixed payment of 25 taler from the laboratory.

3. Consider the voting stage. Each voter knows the size of the budget and the five options from which politicians choose. Each voter knows that s/he receives either 0, 30, 40 or 60 taler. A table appears on voters computer screen and each voter is asked whether s/he gives her vote to the incumbent or to the challenger for each possible transfer. Note that the actual amount to be received by the voter is already determined, but not yet known to the voter. So by answering these questions the voter cannot affect the choice behavior of the politician.

The format for voting is as given in Table 2:

4. The voters are asked whether they think that their own vote tipped the outcome in the election. "Tipping" here means that had the voter voted for the other politician, it would have made him (her) the winner. Note that a voters vote tips the outcome of the election only if one of the other voters votes for the incumbent and the other votes for the challenger. Neither the other voters nor the politicians can observe a voters choices.

This completes the set of decisions. The computer now allocates the payments to the voters according to the option chosen by the incumbent politician. If the option chosen by the incumbent politician allocates different amounts to different voters, the computer randomly allocates the amounts to the three voters. Based on these budget allocations, the computer applies the voting decisions of the voters to determine the votes received by the incumbent and challenger. The politician who receives two or three votes wins the election. The other politician who receives zero or one vote loses the election. The politician who is elected receives a payment of 140 taler and can keep this amount for himself (herself). The politician who is not elected receives no further income at this stage.

No Incumbency Advantage treatment: In addition, each voter receives a payment of 20 taler in this stage.

Incumbency Advantage treatment: In addition, each voter receives a payment of 30 taler if the former incumbent obtains at least two votes and a payment of 20 taler if the incumbent receives zero or one vote.

The incumbent, the challenger, and all voters are informed about the option chosen by

the incumbent, the winner of the election, the number of votes given to the incumbent and challenger and their own earnings in taler. This ends the round.

The procedure

The main part of the experiment consists of 8 identical and independent rounds. Each round follows the same rules as described above.

Players keep their respective roles as politicians or voters throughout the experiment. The politicians keep their roles as politicians and a random mechanism is used in each round to determine which of them is the incumbent and challenger. The voters continue to be in the role of voters.

The players that interact in a given round are randomly regrouped with other players from one round to the next, and so on for all rounds. This means that you as a participant are typically matched with new, other players in each new round. You will not know who your co-players are in any given round. Any attempt to reveal the identity by a player leads to exclusion from the experiment.

At the end of the experiment, three random rounds will be chosen from the eight rounds. The choices and outcomes in these three rounds, and only these rounds, count for your payment. The results from the other five rounds are irrelevant for payment. However, during the experiment you will not know which three of the eight rounds are relevant for the payment, and which ones are not.

The taler you received or earned in the three payment relevant rounds will be summed up. The amount of taler is converted into Euro (20 taler = one Euro). This determines the payment you receive.

In addition, you receive a participation fee of 6 Euro.

The sum of payments will be made to you in cash when you leave the laboratory. Before the experiment starts, you will be asked to answer a number of questions which appear on your screen. These are about the experiment. They are meant to illustrate the rules and procedures of the experiment by way of examples.

We also request you to answer further questions at the end of the experiment. All the answers you give and all the decisions you make during the experiment will be treated

anonymously. No connection can be made between these answers and your name/identity.

We thank you for your participation and wish you success!