Appendix (For Online Publication)

Appendix A: Variables, Data Sources and Summary Statistics

We list, briefly describe, and give the sources of the variables used.

- *SD VOTE SHARE* records the percentage of total votes cast secured by the Social Democrats. Retrieved for the May 2014 elections for the European Parliament, the June 2016 local mayoral elections and the December 2016 elections for the National Parliament. Source: Romania's Central Electoral Bureau.

- *TURNOUT* records the percentage of eligible voters who cast a vote. Retrieved for the May 2014 elections for the European Parliament, the June 2016 local mayoral elections and the December 2016 elections for the National Parliament. Source: Romania's Central Electoral Bureau.

- *SD MARGIN* records the difference in vote shares obtained by the SD candidate and her closest competitor in the June 2016 mayoral elections. Source: Own calculations.

- *INC* is a dummy variable coded one if the SD candidate won the June 2016 mayoral race (zero otherwise). Source: Own calculations.

- *TOTAL INCOME* records overall income per capita in a given constituency. Retrieved for 2015 - 2018. Source: Romania's Ministry of Regional Development.

- *CENTRAL INCOME* record income per capita in a given constituency received from the central government - that is, revenues not generated internally via local taxes or transfers. Retrieved for 2015 - 2018. Source: Romania's Ministry of Regional Development.

- *TRANSFERS* records income per capita in a given constituency disbursed by the central government from revenues generated via the Value Added Tax, with the purpose of financing local public goods investments, and balancing the local budget. Retrieved for 2015 - 2018. Source: Romania's Ministry of Regional Development.

- *SOCIAL SPENDING* records per capita spending in a given constituency targeted towards social aid programs, including spending for people with disabilities, unemployment benefits and welfare transfers. Retrieved for 2015. Source: Romania's Ministry of Regional Development.

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- *UNEMPLOYMENT* records the unemployment rate in a given constituency. Retrieved for 2015. Source: Romania's National Institute of Statistics.

We present the summary statistics in Table A1, separately for constituencies where the SDs won an lost the 2016 mayoral elections. Panels A and B contain information pertaining to the 2016 local and national elections, respectively, while panel C shows statistics for the fiscal dependent variables used to rule out realized favoritism under the technocratic government.[23]

As discussed in Section 3, we include a vector of controls in our preferred specification. Summary statistics for these covariates are presented in Panels D and E.

Abstracting from the issue of causality, these numbers show a strong association between local incumbency and national performance. As seen in panel B, in affiliated constituencies, the SDs obtained a substantially larger vote share in the 2016 parliamentary race relative to unaffiliated constituencies.

Nevertheless, simple comparisons between constituencies are unlikely to retrieve causal reverse coattails because an issue of omitted variables arises if any underlying factors shape the voters' preferences regarding both the central and local governments. To exemplify, we see in Table A1 that the unemployment rate is higher in SD constituencies. If unemployed individuals derive greater benefits from the party's left-wing agenda, they will likely vote for local SD candidates, *and* for SDs in national contests *irrespective of* their mayor's party. Furthermore, reverse causality may arise if stronger national representation for the SDs allowed them to better promote their local candidates. Regardless, one should not readily interpret the differences in Table A1 as causal reverse coattails. To further this point, we show in panel E that significant differences in national performance between SD and non-SD constituencies - of roughly 15 percentage points - exist when looking at the "pre-treatment" 2014 European elections.

To address this fundamental endogeneity problem, we employ a regression discontinuity methodology in the main text.

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[23]The summary statistics for the 2017 and 2018 fiscal variables are similar, and therefore we do not present them for conciseness. They are available upon request.

Table A1: Summary Statistics - Constituencies by SD Incumbency

	INC = 1		INC = 0		
	(1) Mean (Std. Dev.)	(2) Obs.	(3) Mean (Std. Dev.)	(4) Obs.	(5) Difference [p-value]
Panel A - June 2016 Local Elections					
SD MARGIN (pp)	35.4 (23.4)	1,473	-30.1 (22.6)	866	+65.5 [0.000]
Panel B - December 2016 Parliamentary Elections					
SD VOTE SHARE (%)	61.9 (12.3)	1,473	38.9 (11.2)	866	+23.0 [0.000]
TURNOUT (%)	41.9 (9.77)	1,473	40.6 (9.56)	866	+1.30 [0.002]
Panel C - 2016 Fiscal Variables					
TOTAL INCOME (RON)	2,045 (1,136)	1,473	1,972 (1,085)	866	+73.0 [0.127]
CENTRAL INCOME (RON)	1,413 (1,038)	1,473	1,239 (800)	866	+174 [0.000]
TRANSFERS (RON)	785 (195)	1,473	771 (185)	866	+14.0 [0.089]
Panel D - Past Demographic and Fiscal Variables (2015)					
TOTAL INCOME (RON)	2,127 (1,164)	1,473	2,031 (979)	866	+96.0 [0.042]
CENTRAL INCOME (RON)	1,539 (1,045)	1,473	1,366 (785)	866	+173 [0.000]
TRANSFERS (RON)	875 (438)	1,473	834 (320)	866	+41.0 [0.016]
UNEMPLOYMENT (%)	3.59 (3.05)	1,473	3.07 (2.70)	866	+0.520 [0.000]
SOCIAL SPENDING (RON)	136 (103)	1,473	133 (65.9)	866	+3.00 [0.440]
Panel E - May 2014 European Elections					
SD VOTE SHARE (%)	46.4 (14.7)	1,473	31.0 (12.5)	866	+15.4 [0.000]
TURNOUT (%)	40.6 (14.8)	1,473	38.6 (13.5)	866	+2.00 [0.001]

Note: All information relates to the final sample. All fiscal variables are measured in per capita amounts. The summary statistics presented in columns (1) - (2) and (3) - (4) pertain to constituencies where the SDs won and lost the June 2016 mayoral elections, respectively. In column (5), we present the difference between means, and the p-value associated with testing whether it is statistically different from zero [in square brackets].

Appendix B: Additional Results

Addressing Regional Favoritism

The technocratic setting investigated in the main text allows us to appraise reverse coattails absent realized co-partisan favoritism carried out by the *central* government. A remaining concern is that the documented reverse coattails effect might instead be explained by politically-discriminatory practices implemented by those ruling at the *county-level* (Romania's "intermediary" administrative layer), who may also benefit electorally from empowering or constraining local officials based on the party they belong to.

To address this issue, we retrieve data from the CEB on the party composition of county councils (the ruling county-level authority). We then code a dummy variable $STRONG_c$ equal to one in county c if (following the 2016 local elections) a majority of councilors are affiliated with either the SDs or their minority partner ALDE (zero otherwise).[2] Following this procedure, 23 out of the 41 counties receive a value of one ("strong"), while the remainder are assigned zero ("weak").

Intuitively, we hypothesize that reverse coattails should be significantly larger in magnitude in constituencies situated in areas where the SDs enjoy high amounts of county-level discretion, if the effect is to be partially explained by regional favoritism. Empirically, we argue that having a majority on the county council is a reasonable proxy for territorial strength, given that many decisions require majority approval to be carried out.

We then formally test this hypothesis by running several variants of the following interaction specification, a simple extension of the baseline Equation 1:

$$
\begin{aligned}
Y_i = {} & \alpha + \gamma_0\text{SD MARGIN}_i + \delta_0\text{INC}_i + \rho_0\text{STRONG}_c + \omega_0\text{INC}_i * \text{SD MARGIN}_i \\
& + \text{STRONG}_c(\gamma_1\text{SD MARGIN}_i + \delta_1\text{INC}_i + \omega_1\text{REP}_i * \text{SD MARGIN}_i) + \rho X_i + \epsilon_i
\end{aligned}
\tag{2}
$$

Above, δ_0's estimate captures the impact of local incumbency in counties with a "weak" SD presence, while the estimate of $\delta_0 + \delta_1$ provides a measure of the LATE in constituencies where the SDs enjoy high discretionary power by virtue of having a county-council political majority. If the reverse coattails effect is to be partially explained by regional favoritism, we expect the coefficient estimate of δ_1 to be positive and significant.

Table B1 presents the results. Across the different model alterations employed, there is insufficient statistical evidence to reject the null hypothesis wherein county-council

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[2] Note that electing county members happens simultaneously with the mayoral race. Further note that we prefer accounting for both SD and ALDE representatives when defining county strength as we do not expect ALDE councilmen to meaningfully oppose any SD initiatives given their at the time alliance. That said, re-defining STRONG solely in terms of the SDs leaves the results qualitatively unchanged - available upon request.

Table B1: Reverse Coattails - Heterogeneity by SD County Political Strength

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate
Dependent Variable: SD Vote Share in the 2016 National Elections				
INC	15.52***	10.53***	12.2***	12.9**
	(0.785)	(2.44)	(3.52)	(5.46)
STRONG	6.45***	7.83***	11.4***	12.3***
	(0.643)	(1.84)	(2.31)	(3.40)
INC * STRONG	1.31	0.450	-2.37	-2.58
	(0.873)	(2.83)	(3.98)	(6.06)
Observations	2,339	807	445	229
Margin h	-	19.4	9.68	4.84
R-squared	0.66	0.52	0.51	0.50

Note: We investigate whether county-level political strength moderates the national electoral effects of local incumbency. STRONG is a dummy variable equal to one if a majority of county-level councilors are aligned with the SDs or ALDE (zero otherwise). We control for the SD vote share and turnout recorded in the 2014 elections for the European Parliament, as well as 2015 (log) income per capita, (log) central income per capita, (log) transfers per capita, (log) grants per capita, (log) social spending per capita and the unemployment rate. Robust standard errors are reported in (round brackets); p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

strength does not moderate the effects of sub-national incumbency. Therefore, in light of these findings, we cannot conclude that regional favoritism drives the estimated reverse coattails effect.

Expanded Main Results and Additional Robustness Checks

First, we graphically illustrate the coefficient estimates from Table 3 Panels A, B and C in Figures B2, B3 and B4, respectively.

Next, in Table B2, we present the coefficient estimates corresponding to the heterogeneity by central-reliance analysis illustrated in Figure 5. As discussed above, the evidence suggests that reverse coattails were notably larger in magnitude in constituencies where funds received from the centre are an important component of local revenues - that is, in constituencies where one would expect anticipated favoritism to matter most, in line with Hypothesis 4.

In Figure B5, we show the coefficient estimates corresponding to the heterogeneity by income per capita analysis discussed in footnote 21 in the main text.

In Table B3, we drop two of the non-crucial sample restrictions we make in the main analysis by including constituencies classified as municipalities, and constituencies where SD and ALDE mayoral candidates competed against each other.[25] Nothing changes notably.

In Table B4, we appraise the sensitivity of the main coefficient estimate to adding different groups of covariates in turn, not all at once as in the main text. As expected, the main implications remain unaltered.

Next, in Table B5, we re-run the main analysis using electoral results for the 2016 Senate race, rather than those pertaining to the Chamber of Deputies ballot, with no noticeable qualitative changes.

Finally, in Table B6, we assess the sensitivity of our estimates to altering the polynomial degree of the running variable $SD\ MARGIN_i$. The estimated coefficients suggest that the discontinuous jump cannot be explained by alterations in the way the forcing variable is specified.

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[25]We can also drop these restrictions in turn or drop the additional restriction that excludes single-candidate races as well - results, available upon request, remain virtually unchanged.

Figure B1: Romania's Administrative Divisions

Note: Black lines separate counties, while white lines capture constituency boundaries.

Figure B2: Central Resources Allocations under the Social Democratic Government (Full Sample)

(a) Total Income

(b) Central Income

(c) Transfers
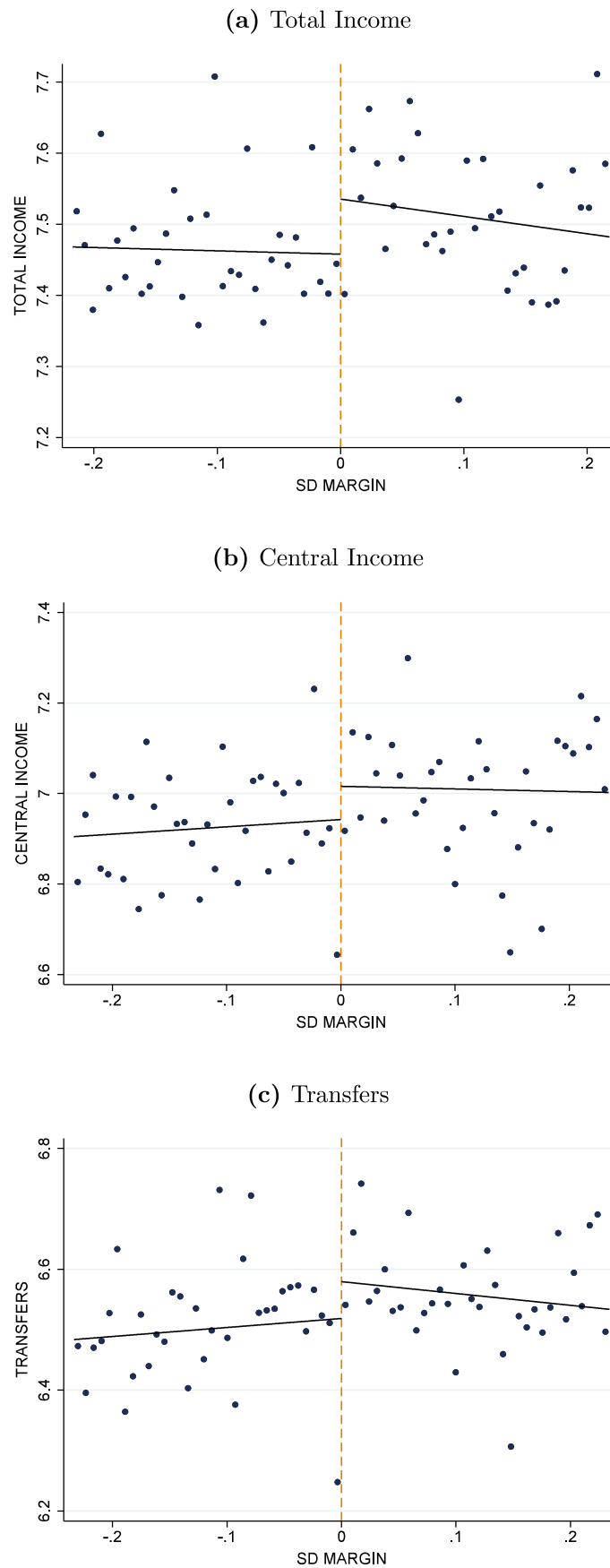
Note: We graphically illustrate the coefficient estimates from Table Panel A.

Figure B3: Central Resources Allocations under the Social Democratic Government (2018 Subsample)

(a) Total Income


(b) Central Income

(c) Transfers
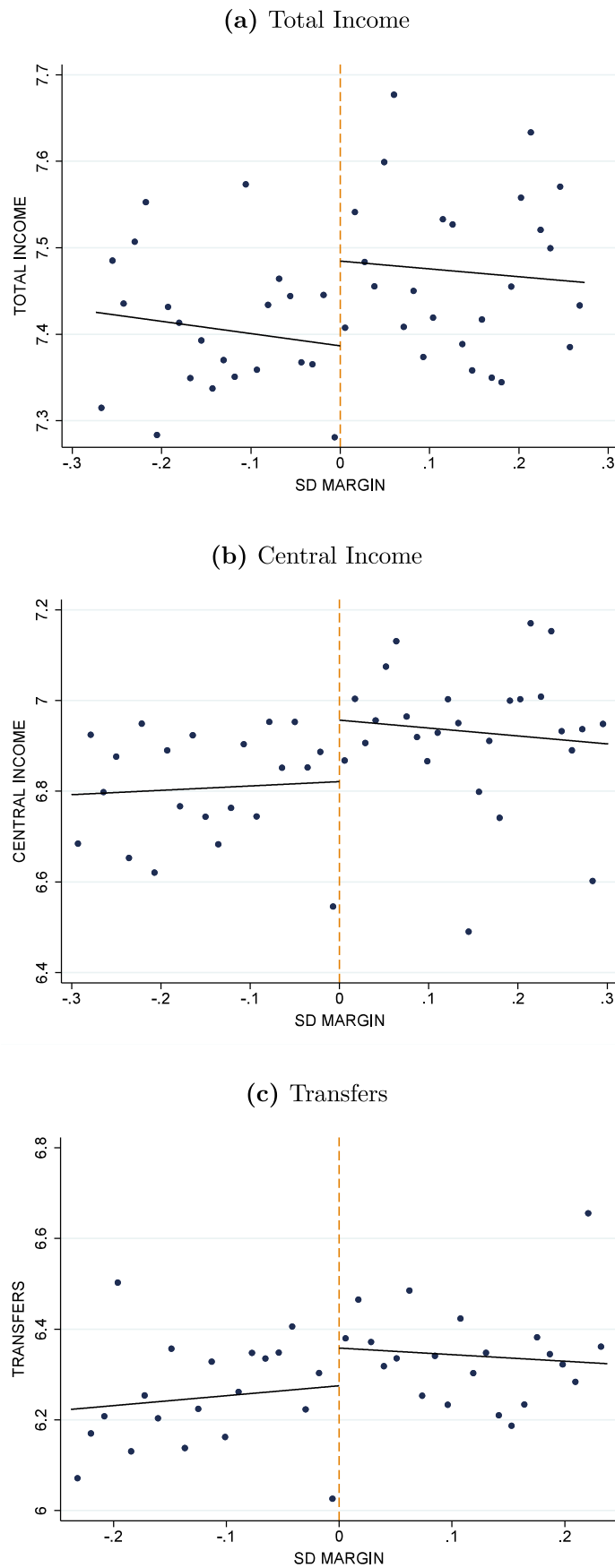
Note: We graphically illustrate the coefficient estimates from Table Panel B.

Figure B4: Central Resources Allocations under the Social Democratic Government (2017 Subsample)

(a) Total Income

(b) Central Income

(c) Transfers
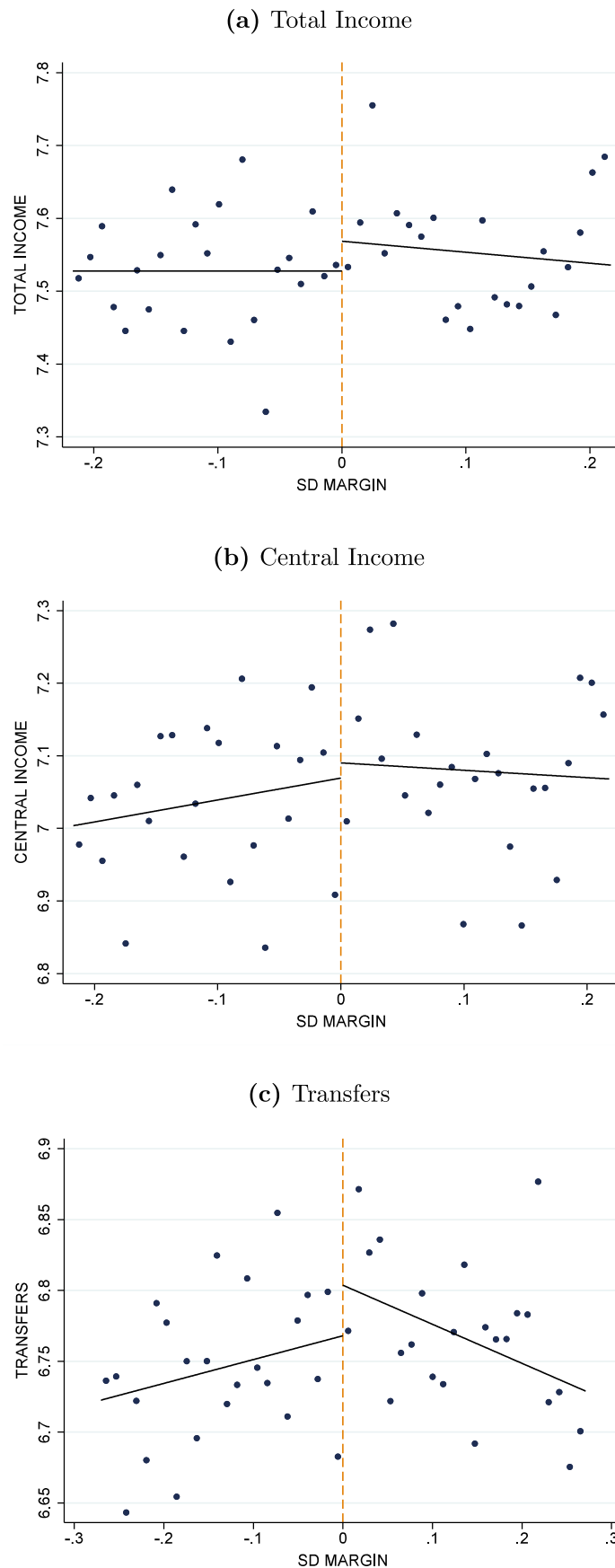
Note: We graphically illustrate the coefficient estimates from Table Panel C.

Figure B5: Reverse Coattails: Heterogeneity by Income Per Capita
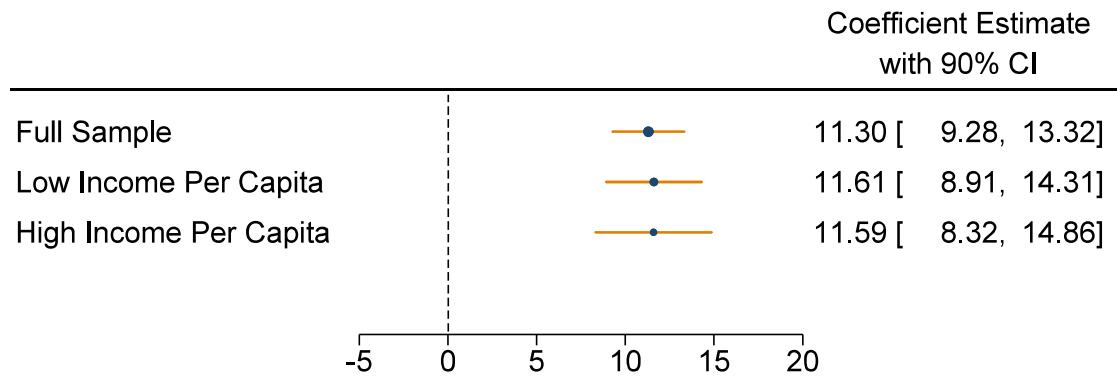
Note: For the full sample, we replicate the analysis from Figure 3. Constituencies in the high (low) income per capita subsample are those for which 2015 per-capita total income is above (below) the median measured in the full sample. The dependent variable is the 2016 parliamentary SD vote share.

Table B2: Reverse Coattails: Heterogeneity by Central Funds Reliance

	(1) OLS Estimates	(2) Optimal BW RD Estimates	(3) Half-Optimal BW RD Estimates	(4) Quarter-Optimal BW RD Estimates
Dependent Variable: SD Vote Share in the 2016 National Elections				
Panel A: High Central Reliance Constituencies				
INC	18.1***	14.0***	13.5***	13.5***
	(0.802)	(1.76)	(2.38)	(2.80)
Observations	1,168	500	288	157
Margin h	-	0.256	0.128	0.064
Panel B: Low Central Reliance Constituencies				
INC	14.9***	8.99***	8.53***	7.39**
	(0.746)	(1.71)	(2.44)	(3.38)
Observations	1,171	525	276	144
Margin h	-	0.257	0.129	0.064
Difference p-value	0.002	0.021	0.072	0.082

Note: We investigate whether the reverse coattails documented in the 2016 National Elections were stronger in constituencies where central resources are a meaningful component of local funding. We fit our preferred specification 1 separately for constituencies where 2015 central income is above and below the median value, in Panels A and B, respectively. The p-values reported in the last row are associated with the one-sided hypothesis that the estimated reverse coattails coefficients are large in magnitude in Panel A relative to Panel B. Robust standard errors are reported in (round brackets); *p<0.10, **p<0.05, ***p<0.01

Table B3: Reverse Coattails: Robustness to Dropping Sample Restrictions

	(1) OLS Estimates	(2) Optimal BW RD Estimates	(3) Half-Optimal BW RD Estimates	(4) Quarter-Optimal BW RD Estimates
Dependent Variable: SD Vote Share in the 2016 National Elections				
Panel A: Covariates Included				
INC	16.5***	10.7***	10.8***	10.6***
	(0.516)	(1.20)	(1.68)	(2.35)
Observations	2,627	1,243	691	371
Margin h	-	0.274	0.137	0.069
Panel B: No Covariates Included				
INC	22.8***	10.4***	10.3***	10.3***
	(0.474)	(1.27)	(1.82)	(2.60)
Observations	2,627	1,243	691	371
Margin h	-	0.274	0.137	0.069

Note: We replicate the main evaluation from Table 1, after including in the sample constituencies classified as municipalities and constituencies where SD and ALDE mayoral candidates competed against each other; *p<0.10, **p<0.05, ***p<0.01

Table B4: Reverse Coattails: Sensitivity to Covariates

Dependent Variable: SD Vote Share in the 2016 National Elections					
	(1) No Controls	(2) Electoral Controls	(3) Income Controls	(4) Social Controls	(5) All Controls
INC	11.0*** (1.34)	10.7*** (1.29)	11.6*** (1.28)	11.1*** (1.33)	11.3*** (1.23)
2014 SD Vote Share	-	X	-	-	X
2014 Turnout	-	X	-	-	X
2015 (log) Income per Capita	-	-	X	-	X
2015 (log) Central Income per Capita	-	-	X	-	X
2015 (log) Transfers per Capita	-	-	X	-	X
2015 (log) Social Spending per Capita	-	-	-	X	X
2015 Unemployment Rate	-	-	-	X	X
Observations	1,151	1,151	1,151	1,151	1,151
Margin h	0.291	0.291	0.291	0.291	0.291

Note: In column (1), we fit a parsimonious model with no controls reporting RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. We then check the sensitivity of the estimate to adding different groups of covariates in turn - electoral, revenue-related and socio-demographic, in columns (2), (3) and (4), respectively. In column (5), we include the full set of controls. Robust standard errors are reported in (round brackets); *$p<0.10$, **$p<0.05$, ***$p<0.01$

Table B5: Reverse Coattails in the Senate Elections

	Dependent Variable: SD Vote Share in the 2016 Senate Election			
	(1)	(2)	(3)	(4)
	OLS	Optimal BW	Half-optimal BW	Quarter-optimal BW
	Estimate	RD Estimate	RD Estimate	RD Estimate
	Panel A: Covariates Included			
INC	16.8***	11.4***	11.9***	11.3***
	(0.546)	(1.21)	(1.70)	(2.39)
Observations	2,339	1,161	636	336
Margin h	-	0.296	0.148	0.074
	Panel B: No Covariates Included			
INC	23.1***	11.1***	11.5***	11.3***
	(0.490)	(1.32)	(1.89)	(2.72)
Observations	2,339	1,161	636	336
Margin h	-	0.296	0.148	0.074

Note: We replicate the main analysis in Table 1 after replacing the dependent variable with the vote share obtained by the SDs in the 2016 Senatorial Election (instead of using results for the Chamber of Deputies Race as in the main text); *p<0.10, **p<0.05, ***p<0.01

Table B6: Robustness of the Main Results to Altering the Polynomial Degree of the Running Variable

	Dependent Variable: SD Vote Share in the 2016 National Elections			
	(1) First Order Polynomial	(2) Second Order Polynomial	(3) Third Order Polynomial	(4) Fourth Order Polynomial
INC	11.3***	11.7***	10.8***	9.70***
	(1.23)	(1.80)	(2.37)	(2.89)
Observations	1,151	1,151	1,151	1,151
Margin h	0.291	0.291	0.291	0.291

Note: We check the robustness of the main results to altering the polynomial degree of the forcing variable SD MARGIN. The dependent variable is given by the vote share obtained by the SDs in the 2016 elections for the National Parliament. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. We control for the SD vote share and turnout recorded in the 2014 elections for the European Parliament, as well as 2015 (log) income per capita, (log) central income per capita, (log) transfers per capita, (log) grants per capita, (log) social spending per capita and the unemployment rate. Robust standard errors are reported in (round brackets); *p<0.10, **p<0.05, ***p<0.01

Appendix C: Further Details on the Political Context

As discussed in the main text, the 2016 Romanian political context provides a unique opportunity to better understand the drivers of reverse coattails. In this Appendix, we detail the case further: we describe the 2015 Colectiv Nightclub Fire and the ensuing political changes more in-depth, and discuss how this setting allows us to disentangle the theoretical mechanisms underpinning reverse coattails.

The relevant timeline is presented below.

- For the first three quarters of 2015, the Social Democrats controlled the central government, alongside two smaller parties, UNPR and ALDE. The National Liberals [NLs], a right-wing party associated with president Klaus Iohannis, was the core opposition force.

- On October 30, a fire occurred at "Colectiv", a Bucharest nightclub. 64 people died as a result, while 146 were severely injured. Importantly, as seen in Figure C1, the incident was the result of "malfunctioning stage props" used in a concert - i.e., an unexpected event. It was not, for instance, a planned terrorist attack which could have been potentially carried out with the interest of triggering a political crisis.

- The tragedy led to an outcry and became the most publicized national subject at the time. Crucially for this paper's objective, large anti-governmental protests ensued linking the event to issues of corruption and administrative inefficiency. Eventually, a core demand of these demonstrations became the resignation of the SD government.

- After five days of protests, culminating with roughly 30,000 individuals protesting in front of the government - illustrated in Figure C2 - the prime minister resigned on November 5.

- On November 10, Dacian Cioloş, a former European Commissioner, was nominated as prime minister. Cioloş formed his cabinet and received a parliamentary vote of confidence on November 17. Two aspects are noteworthy here. First, neither Cioloş himself, nor any of his cabinet members were affiliated with a political party at the time, making this executive the first fully technocratic government in Romania's history. Second, both the SDs and NLs supported the formation of the Cioloş government.[26]

- The technocrats governed throughout 2016, with first-past-the-post local ballots taking place on June 5, and parliamentary elections being organized on December

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[26]The vote of confidence passed with 389 votes for and 115 against.

Figure C1: Malfunctioning Stage Props Leading to the Colectiv Nightclub Fire

Source: https://bit.ly/2vGpcFv.

Figure C2: Protests Linking the Event to Governmental Corruption

Source: https://bit.ly/2RKnqvy. The message on display translates to "corruption kills".

11. The SDs obtained the largest vote share in both the local, and the national races (39 and 45 percent of votes, respectively), followed by the NLs (32 and 20 percent, respectively).

- After their victory, the SDs, alongside ALDE, returned to power and governed for the following three years.

Given this timeline, we argue that there are two main theoretical reasons why this setting provides an opportunity to study the reverse coattails effect absent realized favoritism. First, information costs associated with implementing local favoritism and coordination were likely high for the technocrats, seeing that no party structure existed facilitating the transmission of knowledge between constituencies and the central government. This is especially plausible given the government's unexpected formation - no investments would have been made towards developing a local-central relationship in anticipation of ascending to power.[27] To the extent that effectively implementing politically-discriminatory policies requires knowledge on the needs of individual constituencies, the technocratic government would have had to incur a cost for acquiring such information, a cost that would have been lower had a party structure facilitating the transmission of knowledge been in place. Therefore, we argue that the information cost was prohibitively high for favoritism to be implemented.

Second, we argue that the a priori electoral benefits the technocrats would have derived from favoritism were low, *relative to those that would have accrued to an otherwise political government.* Officially, the entire cabinet was apolitical and no senior member participated in the 2016 parliamentary elections. Technically, our argument is that the *expected* benefits of favoritism were relatively lower for technocrats.

Overall, given that the expected electoral benefits of favoritism were low precisely at a time when the associated information acquisition costs were high, we argue that the technocratic government's incentives for undertaking discriminatory measures were limited. Nevertheless, despite these arguments, the question of whether favoritism occurred is ultimately an empirical one, which we formally address in the main text. Recall, we find no evidence in support of strategic "pork-barrel" disbursements by the technocrats.

To conclude, given the above theoretical points and the corresponding empirical analysis, we posit that realized favoritism, as a means for local incumbents to aid their parties in national races, should be muted under the technocratic government.

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[27]Which might have occurred as a result of strategic pre-ascension bargaining had the SD government been removed via more conventional/anticipated means such as a parliamentary vote of no confidence.

18