Reverse Political Coattails under a Technocratic Government: New Evidence on the National Electoral Benefits of Local Party Incumbency

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Does the control of local offices benefit parties in national elections when local incumbents are not strategically supported by the central government? To address this question, I study the national electoral effects of local party incumbency in the context of a technocratic central government instituted following an unexpected tragic event that forced the resignation of the previous government. Using a regression discontinuity method applied to mayoral races in Romania, I document that the control of local offices causally generated significant vote share premia in the 2016 parliamentary ballot - estimated at 10-11 percentage points, or roughly one fourth of the dependent variable's mean. My results show that the affiliation of local incumbents can be consequential for parliamentary power absent a contemporaneous party alignment linking local and central governmental forces.

Reference Details

Reverse Political Coattails under a Technocratic Government: New Evidence on the National Electoral Benefits of Local Party Incumbency *

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Does the control of local offices benefit parties in national elections when local incumbents are not strategically supported by the central government? To address this question, I study the national electoral effects of local party incumbency in the context of a technocratic central government instituted following an unexpected tragic event that forced the resignation of the previous government. Using a regression discontinuity method applied to mayoral races in Romania, I document that the control of local offices causally generated significant vote share premia in the 2016 parliamentary ballot - estimated at 10-11 percentage points, or roughly one fourth of the dependent variable's mean. My results show that the affiliation of local incumbents can be consequential for parliamentary power absent a contemporaneous party alignment linking local and central governmental forces.

Keywords: Central and Local Governments, Reverse Coattails, Local Incumbency, Clientelism, Political Parties, Elections

1 Introduction

Motivation Recent work on political clientelism finds that policy-makers skew the allocation of budgetary resources towards local constituencies controlled by members of their own party in order to generate an electoral advantage in upcoming ballots.[1] Nevertheless, whether the control of local governments does ultimately benefit parties in national elections - termed the "reverse local coattails effect" by Ames (1994), or "sub-national incumbency externalities" by Ade and Freier (2013) - remains an open question, with studies documenting a causal link producing mixed results.[2]

Besides the lack of consensus on the existence (and magnitude) of the reverse local coattails effect, not yet fully understood is the exact *mechanism* by which affiliated local incumbents can help their parties in national races. In line with the existing scholarship, I distinguish two possible channels linking sub-national office control to national performance - illustrated in Figure 1.

On the one hand, local incumbents can stimulate the vote via their own independent actions - for instance, by assisting with party campaigning and disrupting opposition mobilization efforts (Ames, 1994), by strategically targeting pre-electoral expenditures (Aidt, Veiga and Veiga, 2011), by personally interacting with the electorate (Pons, 2018), via political advertising (Spekuch and Toniatti, 2018), by engaging in illicit practices such as ballot-box stuffing (Borcan, forthcoming), or by simply claiming credit for positive socio-economic conditions outside of their influence (see e.g. Healy and Malhotra, 2013 for a review of retrospective voting). I term this mechanism the "bottom-up" channel henceforth, the key point being that such actions may presumably be undertaken even when the incumbent's party does not rule nationally.[3]

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[1]Either by empowering their territorial leaders, or by punishing opposing forces (see e.g. Brollo and Nannicini, 2012; Curto-Grau, Sole-Olle and Sorribas-Navarro, 2018).

[2]Work investigating reverse coattails has been done in the US (Broockman, 2009), Germany (Hainmueller and Kern, 2008; Ade and Freier, 2012), Portugal (Migueis, 2013), India (Dey and Sen, 2016), Brazil (Avelino, Biderman and Barone, 2017; Ventura, forthcoming), Romania (Borcan, forthcoming), and Colombia (Bonilla-Mejia and Higuera-Mendieta, 2017), with mixed findings.

[3]Of course, as I discuss below, a political alignment between local and central governmental forces might moderate the effectiveness of bottom-up efforts. This, in fact, represents a key aspect motivating my investigation.

Figure 1: Reverse Local Coattails - Mechanism Decomposition
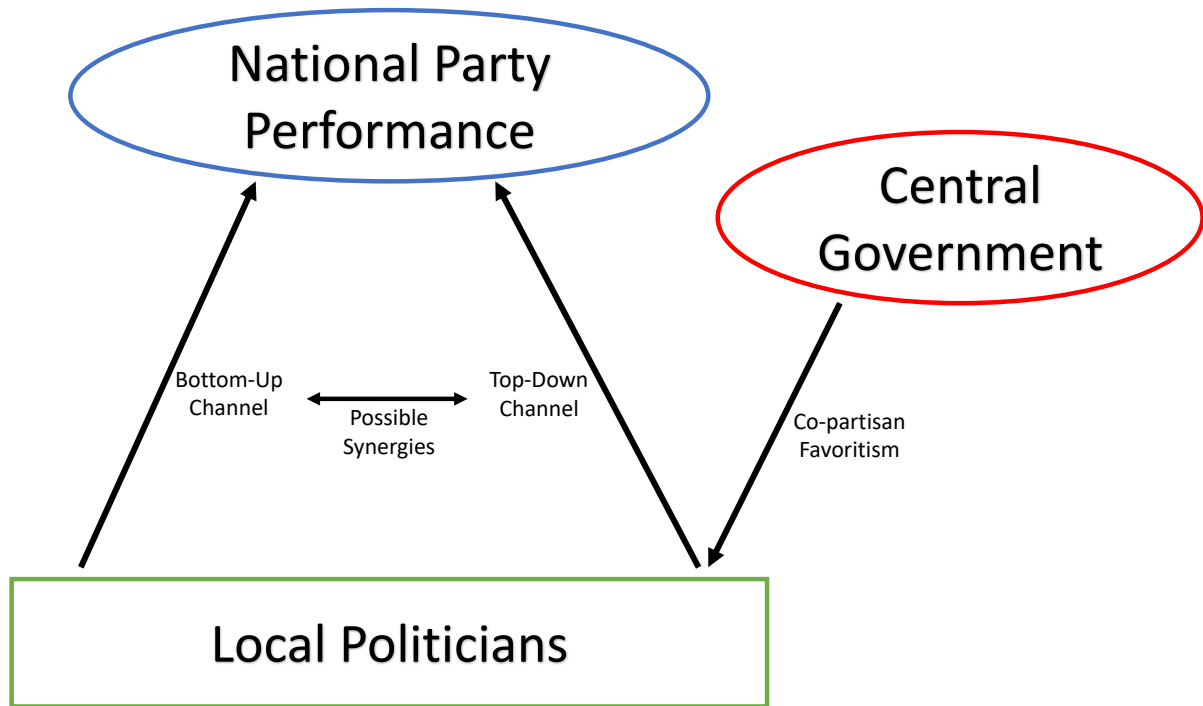
Note: The *bottom-up channel* captures the set of actions that local incumbents can presumably undertake in isolation - that is, even in periods when their party does not control the national government. The *top-down channel* captures the set of actions which require the implementation of politically discriminatory measures by the central government in order to be carried out. In addition, one should also account for possible synergistic effects, whereby the effectiveness of certain bottom-up actions may be moderated by a partisan alignment between local and central governmental forces.

On the other hand, via what I term the "top-down" channel, local incumbents may help their parties precisely by taking advantage of their political alignment with the central government, which has the incentives and influence required to coordinate and empower local party representatives in order to generate electoral returns (Ventura, forthcoming). For instance, local incumbents can stimulate the vote by using strategically targeted budgetary resources from the center. As already mentioned, this mechanism is supported by an extensive literature on central government favoritism[4], which has documented the

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[4]Grossman (1994), Dahlberg and Johansson (2002), Arulampalam et al. (2009), Curto-Grau, Herranz-Loncan and Sole-Olle (2012), Brollo and Nannicini (2012), Migueis (2013), Bracco et al. (2015), Bernardo and Sergio (2019).

clientelistic "pork-barrel" use of state resources (most notably, but not exclusively fiscal[5])
for political purposes.

In fact, several studies in this field - originating from both academia and the media[6] -
argue that the reverse local coattails effect can (at least partially) be credited to discrimi-
natory central measures.[7] As explained by Feierherd (2019, p. 195), *"workhorse models of
distributive politics typically assume that reelection-seeking presidents use fiscal transfers
to reward co-partisans in the hope that stronger local incumbents will transfer votes to
the president"*. Similarly, other investigations highlight how the benefits of sub-national
office control might depend on whether local incumbents are affiliated with the central
ruling party[8], thereby suggesting the existence of a synergistic interaction between the
bottom-up and top-down channels.

Objective In this paper, I add to the literature by addressing what is essentially the
complementary question: *absent* a partisan alignment linking local and central govern-
ments, is sub-national office control electorally rewarding in national races?

I argue that quantifying the bottom-up channel in isolation is important, not only
academically, but also politically, as such an analysis provides insights into the versality of
local incumbency as an electoral resource. To this point, strong positive bottom-up effects
would indicate that the partisan control of sub-national offices can be consequential for
national power even in periods when a party does not control the central government and
its administrative capacities - further justifying the large amounts of resources invested
by political forces towards strengthening their hold on local governments (Brollo and
Nannicini, 2012).

Conversely, weak (or negative) reverse coattails absent central-local alignment would
provide an additional explanation for the push by parties towards increasing their dis-

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[5]See, for instance, Kemahlioglu and Bayer (forthcoming), who show that sub-national party incum-
bency influenced the implementation of a non-contributory health insurance program in Turkey.

[6]In Romania, the think-thank "Expert Group" (https://expertforum.ro/en/expert-forum/) exists with
the purpose of investigating governmental clientelism and its (local) economic, social and political con-
sequences.

[7]Notable examples include Brollo and Nannicini (2012), Bracco et al. (2015), Dey and Sen (2016),
Bonilla-Mejia and Higuera-Mendieta (2017), and Ventura (forthcoming).

[8]See e.g. Samuels (2002); Klingensmith (2019).

cretionary control over national finances by obtaining, for instance, lucrative ministerial positions (Bojar, 2018). Without the possibility of central favoritism, parties may not find local office control electorally lucrative (Feierherd, 2019).

That said, separating these two mechanisms is an inherently difficult statistical task - evidence for central clientelistic practices is widespread[9] and, generally, when establishing an empirical association between local incumbency and electoral performance, one of the counterfactual political affiliations considered is likely going to be that of the party ruling nationally. If so, the estimated coattails effect, *even if causal*, will be informative only of the bundled impact of local bottom-up actions and concurrent top-down practices enabled by central coordination and favoritism. Such statistical difficulties may explain why breaking down the means by which local incumbents stimulate the vote in national elections remains a challenge for the existing scholarship (Avelino, Biderman and Barone, 2017).

Contribution I leverage new constituency-level electoral data from Romania to address this difficulty.

Specifically, I exploit a unique political setting which allows me to quantify the reverse coattails effect absent a partisan alignment linking local and central governmental forces. In the autumn of 2015, following a tragic incident at a Bucharest nightclub[10], mass protests over corruption linked to the event led to the unanticipated resignation of the then Social Democratic incumbents, and to the subsequent formation of an apolitical technocratic government.[11]

Crucially, the unexpectedly instituted technocrats remained in power throughout 2016, a year in which both local mayoral, as well as national parliamentary elections took place in June and December, respectively. Exploiting this appealing contextual feature,

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[9]In particular, fiscal favoritism has been documented both in industrialized nations such as the US, Italy, Spain or Portugal, as well as in developing economies such as Brazil, India, Chile and Colombia.

[10]Known as the "Colectiv Nightclub Fire".

[11]A technocracy is formally defined as a form of government in which officials are appointed based on their technical expertise in a given domain, regardless of whether or not they have been elected to a representative body by popular vote (see Greenwald, 1979). In contrast to a political administration, members of a technocratic cabinet are (generally - and in the investigated context specifically) not affiliated with any party.

I use a regression discontinuity [RD] method on a sample of over 2,300 constituencies in order to investigate to what extent the Social Democrats [SDs], the largest party in terms of parliamentary representation, causally benefitted from sub-national incumbency externalities in the December national elections.

My key argument is that, given the national government's apolitical nature and the unanticipated timing of the succession, local incumbents affiliated with the various competing parties would not have received substantial discriminatory favors from the center. Essentially, I posit that information costs associated with any favoritism or coordination efforts were high, while the expected political benefits were low for the technocrats, *relative* to what members of an otherwise political government would face. Hence, in this unique context, I argue that any reverse local coattails effects should materialize predominantly via the bottom-up channel, in the presence of no or limited top-down practices.

My findings can be summarized as follows. First, using 2016 local fiscal information, I find no evidence for strategic co-partisan governmental funds allocations by the technocratic government, a widely documented clientelistic practice for which data are systematically available. In my preferred specification, the discontinuity evaluation estimates the impact of sub-national incumbency tightly around zero for both overall, as well as centrally-derived local revenues, suggesting that the SDs were no more or less likely than their competitors to benefit from central favors before the parliamentary ballot. In contrast, extending this evaluation to 2017 and 2018 - when the SDs had returned to power - I find a noticeable and statistically significant effects, indicating the existence of co-partisan clientelism in the distribution of state resources.

Next, in the main electoral analysis, I document large positive sub-national incumbency externalities in the 2016 parliamentary elections. In my preferred specification, the discontinuity results indicate an approximate 11 percentage points difference between the share of votes obtained by SDs in constituencies where they barely won and lost the previous mayoral ballot. The estimate is strongly statistically significant and represents

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a substantial effect relative to the party's mean score of 45 percent. Altering the functional form or bandwidth of the specification, or adding additional covariates does little to change the estimate or explain the discontinuous jump.

Although one needs to exert caution when interpreting these findings (by its very design, the RD method retrieves estimates of limited external validity) I argue that they complement the recent debate on the importance of strong political grass-roots by showing that the control of local governments can - in isolation - give a noticeable electoral edge in parliamentary contests, at least contextually. More generally, given the unique setting, my findings provide a novel insight suggesting that sub-national incumbency externalities cannot be readily attributed to an alignment between local and central governmental forces, and the associated top-down practices enabled therein. Caution when interpreting previous findings in the scholarship is thus warranted, as electoral benefits can materialize absent this particular channel.

That said, I acknowledge here an important contextual feature. Given that the SDs took back control of the national government starting 2017, the setting at hand only permits me to rule out the necessity of a *concurrent* central-local alignment for meaningful reverse local coattails to materialize. At the same time, I cannot dismiss the scenario wherein local incumbents mobilized voters by promising *future* central clientelistic measures, which evidence suggests were carried out once their party began ruling once more nationally - an issue highlighted in recent work (Garofalo, Lema and Streb, forthcoming) that I explicitly address in-depth in the latter part of my analysis. Although it would be insightful to examine whether positive reverse coattails can materialize absent such actions, I argue that this is not an issue per se - political promises are part of the local vote stimulation "toolkit" incumbents can employ even absent central-local alignment. More work is, however, needed to check whether my findings can be generalized to a more dynamic setting, where future favoritism can also be plausibly ruled out.

Organization The rest of the paper is organized as follows. In Section 2, I briefly review the relevant literature and describe the mechanism underlying the reverse coattails

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effect. Section 3 details the institutional background, highlighting the relevant political actors and timeline. Section 4 describes the data, and outlines the construction of the final sample. In Section 5, I discuss the close-race RD strategy and conduct a number of conventional checks to assess its validity. In Section 6, I present and interpret the results. Section 7 concludes. Data sources and variable descriptions are given in Appendix A. In Appendix B, I discuss the results of several complementary analyses and robustness checks.

2 Literature Overview and Theoretical Framework

In this section, I briefly summarize the literature documenting the causal national electoral effects of local partisan incumbency. This overview's key insight is that, while evidence for co-partisan clientelism is strong, whether local office control causally generates vote share premia in national elections remains unclear. I then elaborate on the mechanism underlying the reverse local coattails effect, and discuss my paper's contribution. I explain that the means by which local incumbents help their parties nationally are currently understudied, and detail how the political context I investigate allows me to add to this strand of the literature.

2.1 The National Electoral Effects of Local Incumbency: An Overview

This paper primarily relates to a growing body of empirical work investigating sub-national incumbency externalities. Early work in Brazil by Ames (1994) documents a positive association between the political affiliation of municipal incumbents and the vote shares of corresponding presidential candidates, which he attributes to local campaigning and opposition intimidation actions conducted by local leaders. Similarly, in Indonesia, Martinez-Bravo (2014) shows that Suharto's political party, Golkar, performed better in parliamentary and district-level elections in villages represented by party incumbents. Al-

though insightful, the degree to which differences in electoral performance can be causally attributed to the affiliation of lower-tier politicians in these settings is unclear, due to potential issues of omitted variables or reverse causality.[12]

Other work addresses this pertinent internal validity issue by applying RD strategies similar to my own. Here, results have been mixed. In Germany, Hainmueller and Kern (2008) show that incumbency in single-member districts led to a significant positive spillovers in elections taking place in a second, proportional representation tier, while Ade and Freier (2013) only find a strong mayoral incumbency effect on council elections if the latter ballot is organized concomitantly with the subsequent mayoral race. In other studies, Brollo and Nannicini (2012), Dey and Sen (2016), Bonilla-Mejia and Higuera-Mendieta (2017), Avelino, Biderman and Barone (2017), Bardhan et al. (2018), and Ventura (forthcoming) all corroborate the existence of reverse coattails in Brazil, India and Colombia. Conversely, in the US, Broockman (2009) shows that, although congressmen themselves enjoy strong incumbency premia, benefits do not spill-over to the presidential vote shares obtained by the incumbents' parties. Similarly, Migueis (2013) documents that municipal incumbency did not lead to better results in national contests in Portugal.

Finally, in a study closely related to my own, Borcan (forthcoming) assesses whether the partisan affiliation of Romanian mayors influenced the results of a politically-polarized 2012 referendum concerning presidential impeachment. Her key finding is that turnout at this ballot was significantly higher in constituencies aligned with the (nationally governing) coalition whose interest was removing the president from power.[13] She argues that this result is driven by illicit practices such as vote ballot stuffing, and provides

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[12]Of course, researchers investigating incumbency spillovers are aware of these potential selection issues and attempt to address them, for instance, by adding controls for observable covariates in their specifications. As Hainmueller and Kern (2008) explain, however, selection bias is likely to remain a pressing concern due to presence of many unobservable confounders, such as a party's expectation to do particularly well in a district which can correlated both with national vote shares and the affiliation of local incumbents.

[13]In this instance, turnout, instead of the vote share obtained by a particular formation, is an appropriate proxy for coalition support, since the president himself and his associated political forces encouraged a boycott of the referendum. Interestingly enough, the party on which I focus my investigation - the Social Democrats - was also the main promoter of presidential impeachment in 2012.

evidence in support of this proposition. Nonetheless, she does not find a direct effect of local incumbency on either turnout or the vote share obtained by the various competing parties in the subsequent parliamentary race.

2.2 Reverse Local Coattails: Understanding the Underlying Mechanism

Besides the mixed findings concerning the existence of reverse local coattails[14], the main literature limitation which I address pertains to the mechanism linking sub-national incumbency to national electoral success, a shortcoming of the existing scholarship which has been explicitly acknowledged in recent work. For instance, in their investigation's conclusion, Avelino, Biderman and Barone (2017) point out that their results - which corroborate the existence of local incumbency externalities in Brazil - "*uncover several paths for future research. One path is to further analyze the conditions that may favor or hinder the capability of the mayor to transfer her voters to party candidates in legislative elections. In other words, how [is] a mayor able to transfer voters for her party (...)?*".

In this paper, I tackle this literature gap by taking a general approach, and argue that local incumbents can generate national electoral premia via the above-mentioned bottom-up and top-down channels illustrated in Figure 1 - that is, either via independent local actions, or by attracting and then utilizing discriminatorily targeted resources and favors from the center.

Pertaining to the bottom-up mechanism, I note that this paper's primary aim is not to disentangle the exact means by which local incumbents stimulate the vote.[15] As already discussed, these officials have a large number of potentially useful electoral instruments at their disposal, such as conventional campaigning techniques, illicit practices, or credit

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[14]From this perspective, my study extents the external generalizability of previous findings on this subject - a topic which, in and of itself, is politically important in non-advanced economies such as Romania, where the financing and economic development of local administrations are highly dependent on central funds.

[15]Although I make some progress in this sense in Section 6.3 where I find evidence suggesting that promising *future* co-partisan favoritism may have been employed as a tool to generate goodwill.

claiming for exogenous events, whose effectiveness is likely dependent on underlying institutional and economic conditions. Precisely separating out these channels lies outside the scope of this investigation. Rather, my objective is to complement the literature by assessing whether, absent a political alignment between local and central governments, the *aggregate toolkit* available to local incumbents can allow for reverse local coattails to materialize.

In terms of the top-down channel, although a number of complementary justifications exist for why central-local alignment and, in particular, fiscal favoritism can be useful politically[16], the core intuition is that targeting governmental resources to aligned constituencies increases the discretion of one's representatives and "ties the hands" of rivals, ultimately translating to an electoral advantage for the national incumbent in upcoming ballots (Brollo and Nannicini, 2012).

Empirically, evidence corroborating the impact of central-local alignment on policy-making is widespread. In the United States, Grossman (1994), and Berry, Burden and Howell (2010) show that the political alignment of federal, state, district or county-level representatives with the president's party leads to an increase in fiscal outlays received from the center. Applying a difference-in-differences estimation strategy, Sole-Olle and Sorribas Navaro (2008), and Arulampalam et al. (2009) bring evidence for the existence of substantial partisan disbursements in Spain and India, respectively. Employing RD methods, Brollo and Nannicini (2012), Migueis (2013), Bracco et al. (2015), Dey and Sen (2016), Bonilla-Mejia and Higuera-Mendieta (2017), Bardhan et al. (2018), Corvalan, Cox and Osorio (2018), and Ventura (forthcoming) all corroborate the existence of causal discriminatory central behavior in Brazil, Portugal, Italy, India, Colombia and Chile.

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[16]For instance, Arulampalam et al. (2009) present a clientelistic politics model where an opportunistic policymaker finds it optimal to direct federal funds to aligned lower-tier governments in equilibrium. The justification is that such grants allow for higher local expenditures, which result in increased electoral goodwill among imperfectly informed voters. In a similar vein, Bracco et al. (2015) argue that favoritism is rational and leads to improved electoral performance when seen as a signal of incumbent competence. Both investigations empirically corroborate their theoretical propositions using data from Brazil and Italy, respectively. More generally, these studies extend the more traditional literature investigating rational political business cycles, summarized in de Haan and Klomp (2013) and Dubois (2016).

Importantly, several of these investigations either explicitly partially attribute any documented sub-national incumbency externalities to central co-partisan clientelistic efforts, or caution that it is currently unclear whether strong reverse local coattails would materialize absent an alignment between local and central forces. To this point, Dey and Sen (2016) conclude that one of the parties investigated in their analysis (the TMC in India) benefited from incumbency externalities precisely because it practiced clientelism in the allocation of funds under the National Rural Employment Guarantee Scheme. Similarly, Bonilla-Meija and Higuera-Mendieta (2017, p. 2) claim that their results suggest that *"(...) coalitions are able to assign discretionary transfers to aligned mayors"*, thus creating *"electoral advantages for their candidates in national elections"*. Finally, Ventura (forthcoming) argues that having access to central resources controlled by co-partisans (termed "pork") is one of the main mechanisms explaining the reverse coattails effect he documents in Brazil.

I argue that, although seemingly straightforward, it cannot be readily concluded that the control of local offices generally benefits parties given the existing evidence - that is, even when local incumbents are not strategically supported by an aligned national government. In fact, many studies in the related incumbency advantage literature document negative electoral premia, particularly in emerging economies. In Romania, for instance, Klasnja (2015) finds an incumbency disadvantage when looking at mayoral races, which he argues can be linked to the presence of corrupt behaviour. Similarly, Uppal (2009) brings evidence indicating negative premia in India, more pronounced precisely in states where fewer public goods are available, suggesting that having such resources provided (possibly by clientelistic central forces) may aid local politicians in stimulating the vote. Finally, looking at sub-national incumbency externalities specifically, Feierherd (2019) documents electoral penalties for Brazilian presidential candidates in municipalities governed by co-partisans, which significantly lessen precisely when local officials receive more financial resources from the center.

To add to this, Samuels (2002) and Klingensmith (2019) explicitly document a synergistic relationship between central alignment and the electoral effectiveness of sub-national incumbency in Brazil and the US, respectively. The former study shows that clientelistic fiscal interventions help local incumbents raise money from private institutions which ultimately boosts support. In the latter investigation, it is similarly argued that central strategic pork-barrel spending increases one's re-election likelihood by enhancing local fundraising capabilities.

In light of these findings, we must acknowledge that the two channels may be mutually-reinforcing. For instance, local political campaigns might be easier to coordinate and more impactful when the incumbent is supported by the central government. Alternatively, investing in voter-friendly public goods might become less costly when otherwise fiscally-constrained local politicians can more readily rely on clientelistic transfers, or when the central administration itself directly provides services in a discriminatory manner (Kemahlioglu and Bayer, forthcoming). Furthermore, illicit behavior (Borcan, forthcoming) can also become less risky if vote observers, oftentimes employed by the national government to supervise the workings of local vote counting processes, are more likely to turn a blind eye to fraud committed in the interest of those holding national power. In this sense, my study makes a contribution by quantifying the reverse coattails effect absent such synergistic interactions.

3   Background

The 2016 Romanian political context provides an opportunity to better understand the national electoral value of local partisan incumbency. In this section, I briefly discuss the setting's appealing features. First, in subsection 3.1, I present Romania's administrative organization, offering background information on the responsibilities and discretion of local incumbents, on how mayors are elected, and on their (fiscal) relationship with the

national government. Next, in subsection 3.2, I describe the political timeline which allows me to evaluate sub-national incumbency externalities absent central-local alignment.

3.1 Romania's Administrative Organization

Romania is organized as a constitutional representative democracy, with elections for its parliament and local town halls held every four years. Territorially, the country is divided into 41 counties that also serve as electoral circumscriptions for the National Parliament, and then over 3000 territorial-administrative units, or "constituencies" - the main unit of observation used in my analysis. Constituencies, which are further classified as municipalities, cities or communes, depending on their population size and degree of urbanization[17], are administered by a mayor and a local council, elected via first-past-the-post ballots, typically held in June.

The mayor - the "local incumbent" on which I focus - is the head of a constituency's public administration, and represents its executive authority. Fiscally, mayors are primarily responsible for managing the local budget, both in terms of accruing revenues and allocating funds to specific projects (education, infrastructure and so forth).[18] Revenues can be generated either internally, mainly via income, capital and property taxes, or externally, primarily via intergovernmental grants received from the center.[19] It is noteworthy that the extent to which constituencies rely on central funds is on average substantially higher in smaller, rural areas where self-funding capacities are limited.[20] Hence, given this high degree of central dependency, I argue that investigating the extent

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[17]See Law No. 351/2001 for a further description of Romania's divisions and details on how constituencies are officially classified (in Romanian), as well as Figure C1, which illustrates Romania's territorial divisions.

[18]The organization "Ne Reprezinta" [translation: *They represent us*] provides a brief, yet insightful discussion on mayoral responsibilities, and the relationship between the different administrative layers - see https://bit.ly/2lpfItm (in Romanian).

[19]See https://bit.ly/2mSrQ6D (in Romanian) for a comprehensive discussion on local revenue generation. I further detail the aspects of the data which are relevant for my analysis in Section 4.

[20]As seen in Table 1 for instance, in 2016, only about 35 percent of overall revenues were generated internally in the sample of mostly rural communes and small towns included in my analysis.

to which political factors influence the allocation of national resources is contextually pertinent, as such decisions can meaningfully impact local development.

In the vast majority of cases, local fiscal initiatives are proposed by the mayor. Once brought forward, projects are voted on by the local council and, subject to approval, implemented once again by the mayor. Thus, mayors enjoy a great degree of organizational power - an appealing contextual feature for my analysis, which focuses on the political affiliation of mayors in order to appraise sub-national incumbency externalities.

Besides their administrative roles, Romanian mayors are also documented to be important political actors. Evidence thus far indicates that local representatives can stimulate the vote either by interacting with local constituents (Seceleanu, 2009), or by engaging in vote-buying and electoral fraud (Borcan, forthcoming). Such practices are documented to be particularly pervasive in rural constituencies, on which I focus.

Overall, this suggests that Romanian constituencies are highly reliant on central resources in an environment where mayoral discretion is high, and electoral persuasion efforts (be they illicit or not) are commonplace. Nonetheless, despite widespread evidence on such actions, their electoral effectiveness remains understudied. I now turn to the political setting which allows me to make a contribution in this sense.

3.2 Political Timeline

I first present a stylized timeline highlighting the key events that took place during the investigation period. The core political actors are also introduced.[21] Second, I explain why this setting is appropriate for evaluating reverse coattails when local incumbents cannot rely on co-partisan favoritism from the national government.

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[21]Note that my objective in this subsection is to place the analysis in context, not to give an exhaustive overview - for this, the interested reader is directed to Brett (2016), who discusses the evolution of Romanian politics in 2015 and 2016, emphasizing the unexpected governmental changes that took place in this period.

The relevant (condensed) timeline is the following:

- For the first three quarters of 2015, the Social Democrats [SDs] ruled as the main governmental party, alongside two smaller units, UNPR and ALDE.[22] At the time, the National Liberals [NLs], a right-wing conservative party associated with president Klaus Iohannis, was the core opposition force.

- On October 30, a deadly fire occurred at "Colectiv", a nightclub located in Bucharest. A total of 64 people died as a result of the incident, while 146 were (severely) injured. Importantly, as seen in Figure 2 panel A, the incident was the result of several "malfunctioning stage props" used in a concert - that is, an unexpected accident. It was not, for instance, a planned terrorist attack which could have been potentially carried out by organizations interested in triggering a national political crisis.

- The tragedy triggered a domestic, as well as international outcry and became the most publicized national subject at the time. Crucial for this paper's objective, large anti-governmental protests ensued linking the event to underlying issues of corruption and administrative inefficiency. Eventually, a core demand of these demonstrations became the resignation of the SD prime minister and his executive.

- After five days of escalating tensions, culminating with roughly 30,000 individuals protesting in front of the national government - illustrated in Figure 2 panel B, the prime minister announced his resignation on November 5.

- Five days later, Dacian Ciolos, a former European Commissioner, was nominated as prime minister. Ciolos formed his cabinet and received a parliamentary vote of confidence on November 17. Two aspects are noteworthy here. First, neither Ciolos himself, nor any of his cabinet members were affiliated to a political party at the time, making this executive the first fully technocratic government in Romania's

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[22]The National Union for the Progress of Romania, and The Alliance of Liberals and Democrats.

history. Second, both the SDs and NLs supported the instauration of the Ciolos administration.[23]

- The technocratic government remained in power throughout 2016, with first-past-the-post local ballots taking place on June 5, and parliamentary elections being organized on December 11. The SDs obtained the largest vote share in both the local, as well as the national race (approximately 39 and 45 percent of votes, respectively), followed by the NLs (approximately 32 and 20 percent, respectively).

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

With this timeline in mind, I argue that there are two main reasons why this setting provides a good opportunity to study reverse local coattails absent the top-down channel. First, information costs associated with implementing local co-partisan favoritism and coordination actions were likely high for the technocrats, seeing that no party structure existed linking the administrative needs of local constituencies with the national level. This is especially plausible in this context given the government's unexpected formation - no investments would have been made towards developing a local-central relationship in anticipation of ascending to power.[24] To the extent that effectively implementing clientelistic policies is a process that requires knowledge on the requirements of individual constituencies, the technocratic government would have had to incur a cost for acquiring such information, a cost that would have been relatively lower had a party structure facilitating the transmission of knowledge been in place. Therefore, without such structures facilitating local information acquisition, I argue that these costs were prohibitively high for favoritism to be carried out.

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[23]The vote of confidence passed with 389 votes for, 115 against and 2 invalid ballots - see https://bit.ly/33ePie2 (in Romanian).

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

Figure 2: The Colectiv Nightclub Fire

(a) Malfunctioning Props Leading to the Colective Nightclub Fire

(b) Ensuing Protests Linking the Event to Governmental Corruption and Inefficiencies

Sources: https://bit.ly/2vGpcFv (Panel A); https://bit.ly/2RKnqvy (Panel B). The message on display in panel B translates to "corruption kills".

Second, I argue that the a priori electoral benefits the technocrats would have derived from strategic co-partisan favoritism were low, *relative to those that would have otherwise accrued to a political government.* Officially, the entire cabinet was apolitical and no senior government member participated in the 2016 parliamentary elections, or was (at the time) formally associated with a political party that did. That said, I am not arguing here that the technocratic administration had no vested interests in the sphere of politics. Quite the contrary - a number of NL representatives declared that they would support the continuation of the current regime with Dacian Ciolos himself as prime-minister if victorious.[25] Therefore, *conditional on the NLs obtaining the largest vote share*, important rents would have likely accrued to the technocratic administration, providing a possibly plausible incentive for favoritism. Nonetheless, observe that these benefits would have only materialized conditionally - had the NLs won; an improbable contingency given the large difference between their vote share and that of the SDs seen above. Conversely, conditional on the NLs losing, Ciolos cabinet members would not have benefitted from a stronger party presence in the parliament, unlike otherwise political agents, who would benefit from stronger representation even whilst in opposition.

In technical terms, my argument is that the *expected* benefits of favoritism were relatively lower for technocrats, not just due to their official apolitical stance, but because any favoritism-derived rents would have only materialized conditional on a (contextually improbable) scenario - that the party they were presumably biased towards won. This is not the case for members of political governments, who benefit from a stronger parliamentary presence regardless.

In summary, given that the expected electoral benefits of co-partisan favoritism were low precisely at a time when the associated information acquisition costs were high, I argue that the technocratic government's incentives for undertaking clientelistic measures were limited. Nevertheless, despite these arguments, the question of whether favoritism occurred is ultimately an empirical one, which I formally address in Section 6.2. To

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[25]See e.g. https://bit.ly/2n1v9Ip (in Romanian).

preview the results here, I find no suggestive evidence in support of strategic pork-barrel disbursements by the technocrats, a widely investigated clientelistic channel for which data is available.

To conclude, in light of the above theoretical points and the corresponding empirical analysis, I posit that the top-down channel, as a means for local incumbents to aid their parties in national races, should be substantially muted in this setting.

4   Data

The baseline objective is to assess whether the control of local offices causally benefits parties in parliamentary races. In this section, I introduce the data used to test this proposition. First, I explain the operationalization of my variables. Second, I detail how the final sample is constructed, before presenting the summary statistics, and highlighting the key endogeneity issue associated with quantifying reverse coattails that the regression discontinuity design described in Section 5 is meant to address.

4.1   Measurement and Variables

I combine electoral information from three ballots: the May 2014 elections for the European Parliament, useful for assessing the empirical method's validity, the June 2016 local elections, which I use to construct the treatment and forcing variables required for the discontinuity analysis, and the December 2016 national elections for the Chamber of Deputies[26], used to measure the reverse local coattails effect under the technocratic government.

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[26] As shown in Appendix Table B6, near identical findings arise if I instead employ information on Senate races. Furthermore, I also have data for the May 2019 elections for the European Parliament, which I use in a supplementary analysis assessing the impact of local representation after the SDs returned to power - see Table B3.

All electoral data come from Romania's Central Electoral Bureau [CEB]. I have information on the number of registered voters, turnout, the party affiliation of all mayoral contenders[27], as well as the number of votes obtained by each candidate.

Using 2016 mayoral data, I construct the running variable $SD\ MARGIN_i$ for each constituency i equal to the difference between the vote share obtained by the SD candidate V_i^{SD} and the score of her closest competitor V_i^O:

$$SD\ MARGIN_i = V_i^{SD} - V_i^O$$

Given that my interest lies in assessing the effects of local incumbency, I only consider races where the SDs placed either first or second. Therefore, in areas where the SD candidate won (lost) the ballot, $SD\ MARGIN_i$ takes on positive (negative) values. I further define a "treatment" dummy variable INC_i equal to one if the SD candidate won the mayoral race (zero otherwise).

In terms of outcomes, my main dependent variable is the vote share (percent of total votes cast at the constituency-level) the SDs obtained in the 2016 parliamentary ballot.[28] I also consider turnout in some of my specifications.

Next, to proxy for potential central co-partisan favoritism, I focus on local fiscal outcomes. I combine administrative information provided by the Romanian Ministries of Finance and Regional Development with demographic data retrieved from the National Statistics Institute [NSI] to construct my measures. The resulting dataset tracks per capita public revenues for every Romanian constituency between 2015 and 2018, broken down by funding sources - that is, locally generated or funded from the center. The data from 2015 are used to assess the validity of the RD design. I employ 2016 amounts

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[27]Note that, in some instances, the two largest parties (the SDs and NLs) competed alongside smaller territorial entities by forming political alliances. As a consequence, the CEB reports scores for these coalitions. For the purposes of my analysis, I fully attribute the vote share obtained by such alliances to the larger political party involved.

[28]Since mayors are elected to represent an entire constituency, I prefer to work with aggregate constituency-level results. Nonetheless, given that such information is available, I replicate the main evaluation using disaggregated polling station-level data in Appendix Table B2. Results are fully in line with the main findings.

to test for potential fiscal favoritism by the technocratic government. Finally, I exploit 2017-2018 information to appraise clientelism following the SDs' return to power.

Throughout, I mainly focus on total income and *central* income - defined as the difference between total revenues and locally-generated funds - both measured in log per capita terms[29], as my main dependent fiscal variables. In addition, I retrieve information on two further disaggregated central revenue categories for which data are systematically available. The first, which I label $TRANSFERS_i$, records revenues disbursed from funds accrued nationally via the Value Added Tax [VAT] with the purpose of balancing the local budgets and financing a large array of territorial public goods investments.[30] Second, I collect data on fiscal amounts allocated in the form of infrastructure grants and subsidies, which I denote $GRANTS_i$, as these types of funds have been extensively documented to be employed for clientelistic purposes (Borcan, forthcoming).[31]

Finally, I have 2015 constituency-level unemployment rates retrieved from the NSI, as well as per capita social assistance spending, two variables likely correlated with support for social democratic policies, useful for validity and robustness purposes.

4.2   Sample Construction and Summary Statistics

The complete dataset contains information on 3,180 constituencies - Figure 3 shows the geographic mayoral incumbency distribution following the 2016 local elections.[32]

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[29]Working with log amounts is recommended in order to diminish the influence of large outliers (see e.g. Migueis, 2013).

[30]Ranging from spending pertaining to local education services to territorial development initiatives such as illumination or water access provisions.

[31]Unfortunately, when it comes to this variable specifically, a significant number of constituencies report either zero or even negative values throughout the years, which hinder log-analyses. To address this issue, I proceed in two complementary manners: in the main analysis, to keep this evaluation consistent with the others and, importantly, to be able to control for this covariate, I add one plus the absolute value of the smallest recorded negative observation to all my units and then take the natural logarithm of the resulting amount. The alternative is to avoid a log-analysis all together and use per capita amounts directly - which I do in Appendix Table B7. Reassuringly, the qualitative implications of my analyses remain the same irrespective of the method employed.

[32]I classify as "major" the four parties which obtained at least 5 percent of votes cast at the national level. These include the SDs, the NLs and ALDE (introduced in Section 3.2), as well as the UDMR, "The Democratic Alliance of Hungarians in Romania".

Figure 3: Party Affiliation of Local Incumbents by Constituency

(a) Major Parties
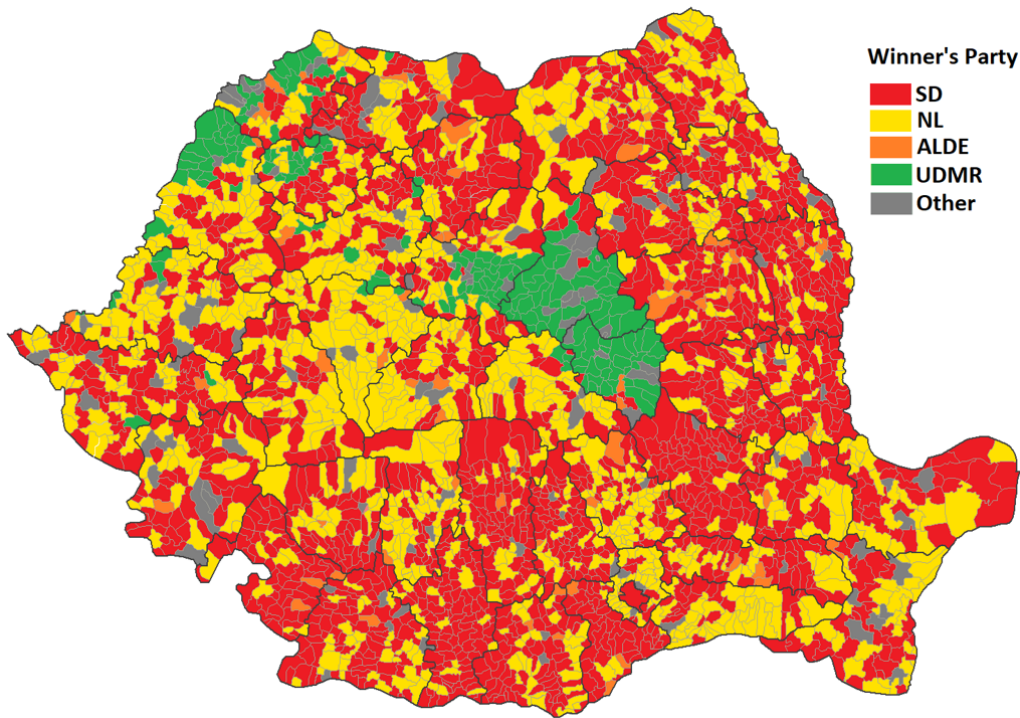
(b) Social Democrats versus Others
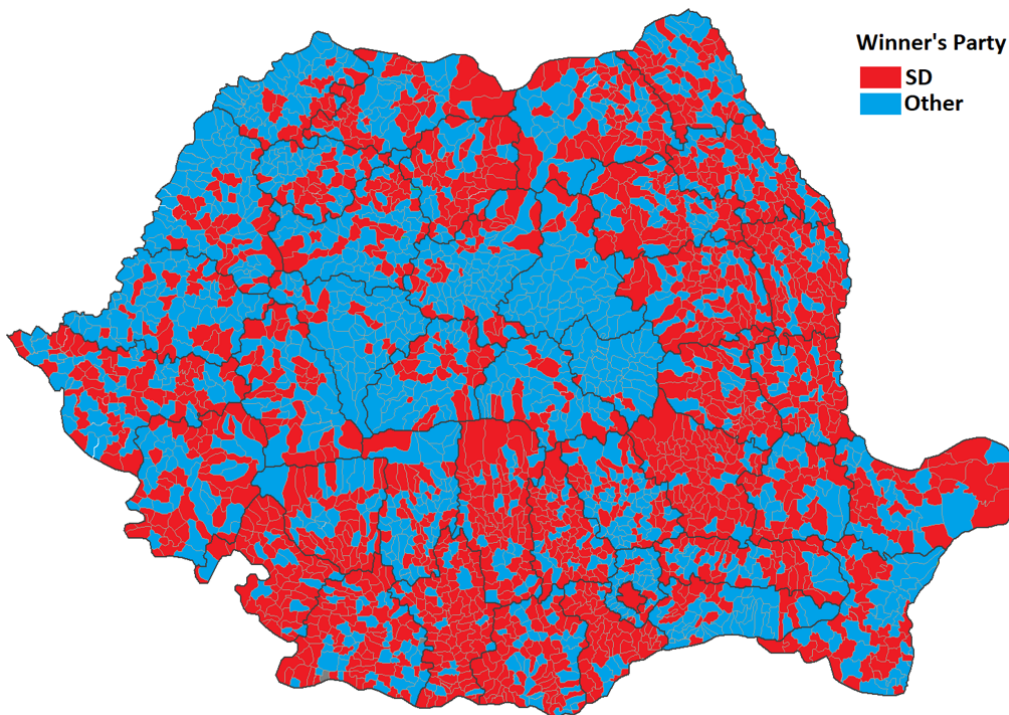
Note: I map the party affiliation of local incumbents elected in the June 2016 mayoral ballot. In Panel A, I show the distribution by major parties. In Panel B, I distinguish between constituencies where the SDs won and lost. Source: modified from Infopolitic (2016).

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To obtain the final sample, I restrict the dataset in four ways. Foremost, as mentioned above, given that local incumbency is operationalized as the mayor's affiliation with the SDs, I remove from my sample all constituencies where the SDs did not secure the first or second position in the ballot. This is an essential restriction for implementing the discontinuity method. Without it, the running variable $SD\ MARGIN_i$ would be inappropriately defined, as near zero negative values would not necessarily be indicative of the SDs barely losing the race.

I make three additional restrictions which, despite being theoretically appealing, are not crucial - my results remain robust to dropping them. First, I remove all constituencies where candidates ran unopposed in the June 2016 local elections. The reason is that the estimates produced by several of the econometric models employed can be sensitive to observations that lie far from the zero $SD\ MARGIN_i$ threshold. Dropping single-candidate races reduces the influence of these observations.[33]

Next, I remove all constituencies classified as municipalities, and focus my analysis on the sample of (mostly) rural communes and smaller towns. I do so because the reliance of local administrations on central funds is, on average, larger in rural territories, due to limited self-funding capacities. I argue that it is precisely in these center-reliant constituencies that my analysis is most pertinent, given that the ultimate objective of investigating the electoral effects of sub-national incumbency is to better understand redistributive incentives more broadly, and thus better explain the observed variation in local fiscal and economic development. In addition, vote-buying and clientelistic practices, both potential drivers of the reverse coattails effect, are documented to be particularly pertinent in the rural environment (Borcan, forthcoming). Therefore, if local incumbents are to be partially credited for national performance, it is precisely in these constituencies where one expects reverse coattails to materialize.

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[33]In a couple of additional tests, I further restrict the sample by eliminating all races where one candidate obtained more than 90 or 80 percent of the vote, respectively - see Appendix Table B9. Results remain virtually unchanged.

Finally, in line with the party alignment literature (see e.g. Ferreira and Gyourko, 2009), I remove constituencies where the SDs went up against their at the time ally, ALDE. I do so because both entities often promoted similar political messages (in particular, highlighting the achievements of their previous joint government), resulting in ambiguous a priori electoral effects.

Following these restrictions, 2,339 constituencies remain in the final sample, with just under two thirds having a Social Democratic incumbent. Table 1 presents some summary statistics, separately for constituencies where the SDs won and lost the mayoral race. Overall - abstracting from any endogeneity issues - these numbers here are suggestive of a strong associative link between local incumbency and central performance. Concretely, in affiliated constituencies, the SDs obtained a substantially larger vote share in the 2016 parliamentary race relative to unaffiliated units, as seen in panel B.

That said, simple comparisons between constituencies are unlikely to retrieve the causal effect of sub-national incumbency for two reasons. On the one hand, an issue of omitted variables arises if any underlying factors shape the preference of voters regarding both the central and local administrations. To exemplify, we see in Table 1 that the unemployment rate is noticeably higher in SD-affiliated constituencies. If unemployed individuals derive greater benefits from the party's left-wing agenda, they will likely vote for local SD candidates, as well as for SDs in national contests *irrespective of* their mayor's political affiliation. Furthermore, reverse causality may arise if a stronger national representation for the SDs allowed the party to better promote their local candidates.

In either case, one would not be able to readily interpret the stark differences observed in Table 1 as causal reverse local coattails. To further this point, I show in panel E that significant differences in national performance between affiliated and non-affiliated constituencies - of roughly 15 percentage points - exist even when looking at the "pre-treatment" 2014 European elections.

In the following section, I describe the regression discontinuity methodology used to address this fundamental identification problem.

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Table 1: Summary Statistics - Constituencies by SD Incumbency

	INC = 1		INC = 0		
	(1)	(2)	(3)	(4)	(5)
	Mean		Mean		Difference
	(Std. Dev.)	Obs.	(Std. Dev.)	Obs.	[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 Elections for the National Parliament					
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]
ELECTORATE (no.)	3,173 (2,642)	1,473	3,386 (2,803)	866	-213 [0.066]
Panel C - 2016 Revenue Information					
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]
GRANTS (RON)	562 (938)	1,473	387 (710)	866	+175 [0.000]
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]
GRANTS (RON)	406 (543)	1,473	275 (350)	866	+131 [0.000]
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 Elections for the European Parliament					
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 - see Section 4.2 for details on the restrictions applied. 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 race, respectively. In column (5), I present the difference between means, and the p-value associated with testing whether it is statistically different from zero [in square brackets]. See Appendix A for variable definitions and details regarding the sources.

5 Estimation and Validity

Quantifying local incumbency externalities is a challenging statistical task given the endogeneity of mayoral partisanship. As already discussed, simple comparisons between affiliated and non-affiliated constituencies would likely lead to upwards-biased estimates of the reverse coattails effect. In this section, I describe the regression discontinuity method used to address this issue, and present the results of several design checks meant to corroborate its contextual validity.

5.1 Regression Discontinuity Methodology

Let $y_i(1)$ denote the parliamentary vote share obtained by the SDs in an affiliated constituency i, and $y_i(0)$ the score the SDs would have gotten *in the same constituency* had the mayor not belonged to the SD party. My objective is to estimate the average difference between these two objects $E[y_i(1) - y_i(0)]$ - that is, the average treatment effect [ATE] of sub-national incumbency on national party performance. Of course, for an ideal counterfactual analysis, I would need information on both potential outcomes, which is impossible to obtain.

In line with Lee (2008), I use a sharp regression discontinuity design to address this issue of unobserved counterfactuals. Briefly, the RD method estimates the local average treatment effect of mayoral incumbency based on *i)* the fact that the treatment dummy INC_i discontinuously changes at the threshold of the running variable $SD\ MARGIN_i = 0$, and *ii)* the *assumption* - to be corroborated below - that other potentially relevant confounders, and hence the resulting potential outcomes, only vary continuously. Under this postulate, the causal effect of local incumbency can intuitively be estimated by comparing central performance in constituencies where the SDs narrowly won and lost the June 2016 local races.

Technically, the average treatment effect retrieved by the sharp RD method is given by:

$$E[y_i(1) - y_i(0) \mid \text{SD MARGIN}_i = 0] = \lim_{\epsilon \downarrow 0} E[y_i \mid \text{SD MARGIN}_i = \epsilon] - \lim_{\epsilon \uparrow 0} E[y_i \mid \text{SD MARGIN}_i = \epsilon]$$

Note that this strategy gives the *local* average treatment effect [LATE] of sub-national incumbency, estimated at the zero win margin threshold. On the one hand, this is theoretically appealing, as it is precisely in such tightly contested constituencies that electoral pressures are most likely to meaningfully influence any distributive decisions (Aidt, Veiga and Veiga, 2011). On the other hand, it is unclear to what extent the results can be generalized to other, less disputed territories.

Empirically, I estimate the LATE of local incumbency by using the local linear regressions approach proposed by Imbens and Lemieux (2008). That is, I restrict my sample of constituencies such that the running variable *SD MARGIN*$_i$ $\in$ [-h +h], where h is a positive number that can vary, and run the following specification:

$$Y_i = \alpha + \gamma \text{SD MARGIN}_i + \beta_0 \text{INC}_i + \beta_1 \text{INC}_i * \text{SD MARGIN}_i + \rho X_i + \epsilon_i \qquad (1)$$

In equation 1, Y_i captures an outcome - chiefly the SD vote share obtained in the 2016 parliamentary elections, or different revenue indicators - measured at the constituency-level. X_i is a vector of controls, useful for efficiency purposes but not crucial for identification. β_0 is the coefficient of interest. Its estimate gives the LATE of sub-national incumbency at the zero win margin threshold. I rely on the methodology proposed by Calonico, Cattaneo and Titiunik (2014) [henceforth, "CCT"] when choosing the optimal bandwidth, but present results from narrower windows as well to highlight the stability of the central results. In addition, I include a term capturing the interaction between the treatment and forcing variables to allow for the possibility of heterogeneous effects at different win margin levels. Finally, ϵ_i is an error term. In the main analysis, I use conventional heteroskedasticity-robust standard errors.

When interpreting my results - both in terms of statistical significance, as well as in terms of their economic or political implications - I primarily rely on the estimates produced by the local linear regressions from equation 1. However, for robustness purposes, I follow Brollo and Troiano (2012), and also estimate the LATE of local incumbency by applying a spline third-order polynomial approximation in the win margin on both sides of the threshold.[34] Concretely, I fit the model:

$$Y_i = \sum_{r=0}^{3} \gamma_r (\text{SD MARGIN}_i)^r + \text{INC}_i \sum_{r=0}^{3} \beta_r (\text{SD MARGIN}_i)^r + \rho X_i + \epsilon_i \qquad (2)$$

where the coefficient estimate of interest is again that of β_0. The advantage of this "global" strategy relative to the "local" one above is that the entire sample of constituencies is used, leading to increased efficiency. Nevertheless, as argued by Imbens and Lemieux (2008), the results given by fitting equation 2 are more sensitive to observations situated far from the forcing variable's threshold, which is generally undesirable.

5.2 Design Validity

I address two issues that could potentially invalidate the consistency of my estimates. First, I consider the possibility of strategic treatment selection at the forcing variable's threshold (McCrary, 2008). In the Romanian electoral context, this problem might arise, for instance, if the SDs, taking advantage of their developed local political infrastructure, committed voter fraud and tilted the balance in their favor in contested territories. In this case, comparing constituencies where the SDs barely won and lost would not allow me to derive consistent estimates of the incumbency effect, as the appropriateness of the counterfactual proxy would be invalidated. Intuitively, in affiliated areas, the SDs would

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[34]Because odd order polynomials have been shown to have better statistical properties at the forcing threshold, fitting third order polynomials on the global sample has become the "standard procedure" (Brollo and Troiano, 2012, p. 32). That said, the main results remain qualitatively insensitive to employing higher or lower order polynomials instead (both locally and globally), as shown in Appendix Table B8.

presumably be inherently more predisposed to illicit tactics, which would likely lead to an overestimate of the actual impact of local office control.

It is worth noting, however, that illicit practices were contextually unlikely, as the 2016 local races were the first elections in Romania where voting booths were equipped with video cameras to prevent any manipulation attempts. To empirically corroborate the implications of this appealing feature, in Figure 4, I provide visual evidence showing that the running variable *SD MARGIN*$_i$ varies smoothly at the discontinuity threshold. Here, panel A presents conventional histograms. In panel B, I follow McCrary (2008) to address non-random sorting formally. As shown visually, there is insufficient evidence to reject the null hypothesis wherein the distribution of the running variable is continuous at the threshold, thus diminishing any sorting concerns.

Second, I test whether observable pre-2016 covariates vary systematically between affiliated and non-affiliated constituencies at the zero win margin threshold. Results are provided in Table 2, where I focus on electoral and fiscal/demographic characteristics in panels A and B, respectively. Although the naive OLS regressions reveal significant associations between local incumbency and almost all the variables considered, these differences become statistically indistinguishable from zero once I switch to the RD design.

All in all, I am unable statistically reject the zero effect null hypothesis for any of the variables considered, which is particularly reassuring when looking at the SDs' performance in the 2014 elections. Concretely, I argue that if the design were invalidated by voter fraud, however unlikely, and incumbents affiliated with the SDs were inherently more likely to manipulate results in close races, I would expect to find a positive, significant difference here. Nevertheless, the coefficient estimate is small and insignificant in my preferred specification shown in column (5), corroborating the design's validity. Moreover, results are robust to employing the third-order polynomial methodology on the full sample, as seen in column (6). Finally, as I show below, all of this paper's main findings are reassuringly insensitive to including the different covariates studied here as control variables in the different regressions employed.

Figure 4: Design Check - Strategic Treatment Selection at the Discontinuity

(a) Histogram of SD MARGIN
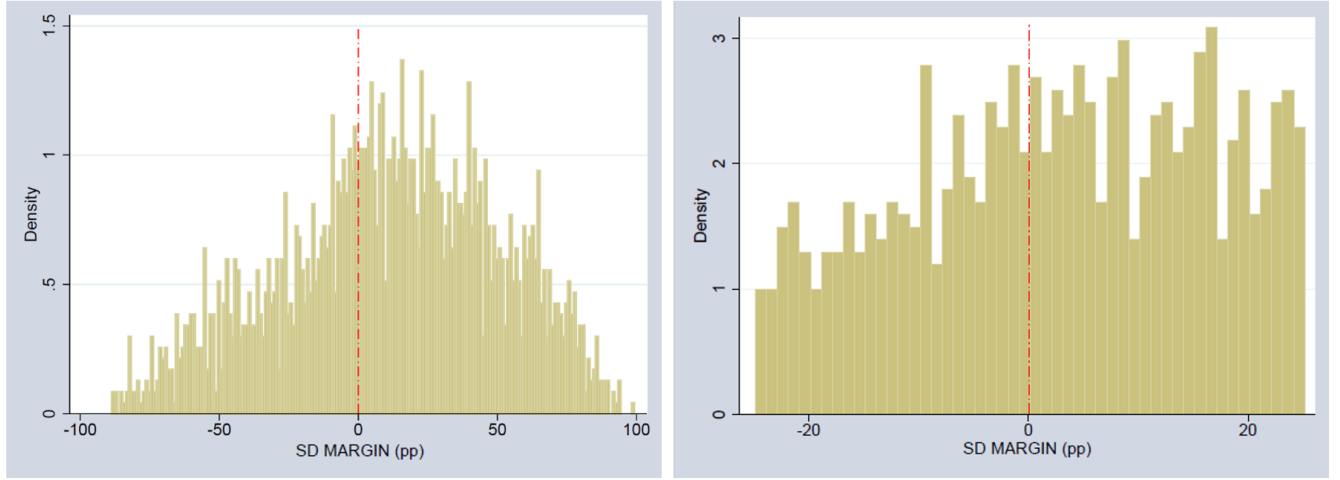
(b) McCrary (2008) Test
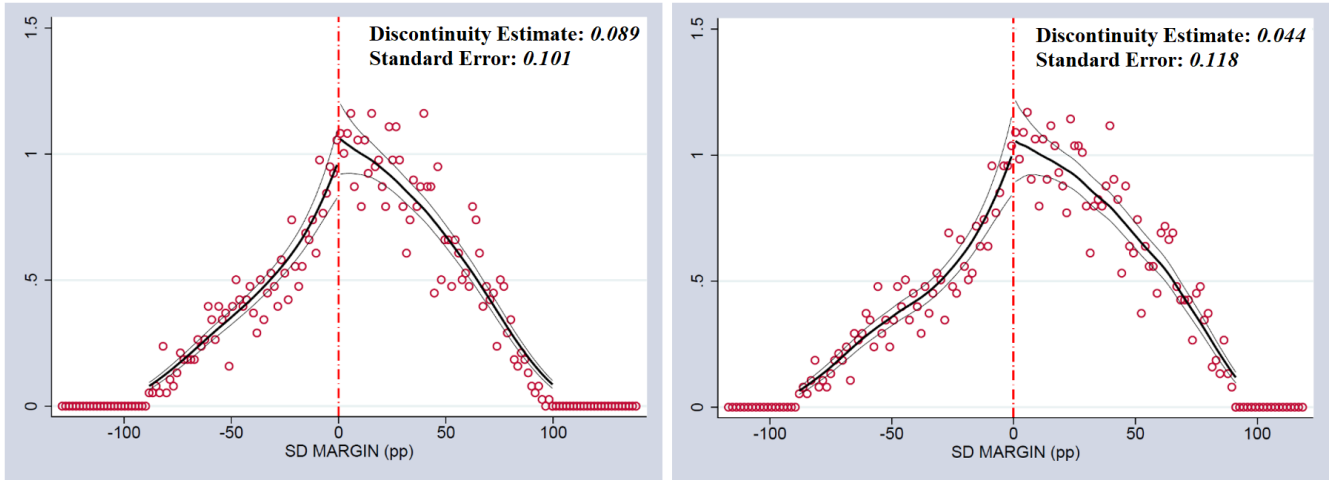
Note: The figures are constructed based on the final sample (see Section 4.2 for details on the restrictions applied). Panel A presents the histogram of the running variable SD MARGIN around its zero threshold. Each bin represents a one percentage point interval. The first graph is constructed using the entire sample. For visualisation purposes, in the second graph, I restrict the illustration to races where the win margin lies between +/- 25 percentage points. In Panel B, I perform the formal McCrary (2008) strategic selection test, which involves a kernel estimation of the density of local races involving the Social Democrats, performed on each side of the threshold. Bin width as in McCrary (2008). The first graph is based on the entire sample; in the second, I restrict the illustration to races where the win margin lies between +/- 90 percentage points in order to diminish the influence of outliers.

Table 2: Design Check - Local Incumbency and Past Observable Covariates

	(1)	(2)	(3)	(4)	(5)	(6)
				Treatment Variable: INC		
Dependent Variable	OLS Estimate	Optimal Margin h	Number of Observations	Local RD Estimate	Global RD Estimate
	Panel A - Past Electoral Outcomes					
SD VOTE SHARE	15.4*** (0.570) [0.000]	15.9	678	0.599 (1.84) [0.745]	0.100 (1.67) [0.952]
TURNOUT	1.94*** (0.599) [0.001]	21.3	875	-0.263 (1.76) [0.881]	-0.383 (1.79) [0.830]
	Panel B - Past Fiscal and Demographic Outcomes					
TOTAL INCOME	0.034* (0.018) [0.052]	14.0	609	0.087 (0.062) [0.161]	0.060 (0.053) [0.252]
CENTRAL INCOME	0.099*** (0.021) [0.000]	15.8	676	0.034 (0.075) [0.648]	0.050 (0.067) [0.459]
TRANSFERS	0.044*** (0.014) [0.002]	20.1	832	-0.019 (0.046) [0.687]	0.020 (0.046) [0.655]
GRANTS	0.218*** (0.030) [0.000]	16.7	722	-0.054 (0.097) [0.580]	-0.037 (0.091) [0.688]
SOCIAL SPENDING	0.009 (0.018) [0.619]	20.7	855	0.060 (0.055) [0.277]	0.018 (0.056) [0.742]
UNEMPLOYMENT	0.511*** (0.122) [0.000]	20.0	832	-0.198 (0.365) [0.588]	-0.369 (0.365) [0.312]

Note: I report the estimated effects of local partisan incumbency on past observable covariates. In panel A, the dependent variables are the vote share obtained by the SDs, and the turnout recorded in the 2014 elections for the European Parliament. All the outcomes analysed in panel B pertain to 2015, and are measured in log per capita amounts (with the exception of the unemployment rate, which is measured as a percentage of a constituency's population). INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (3) - (5) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (6), I present coefficients estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample (2,339 observations). Robust standard errors are reported in (round brackets); p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

Figure 5: Design Check - Local Incumbency and Past Electoral Outcomes

(a) Dependent Variable: SD Vote Share in the 2014 elections for the European Parliament
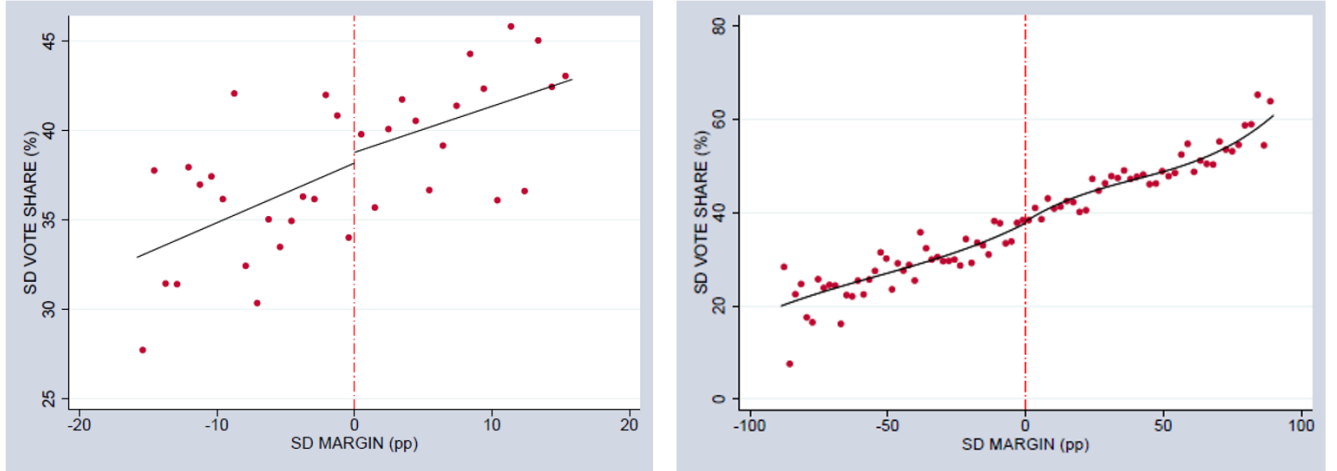
(b) Dependent Variable: Turnout in the 2014 elections for the European Parliament
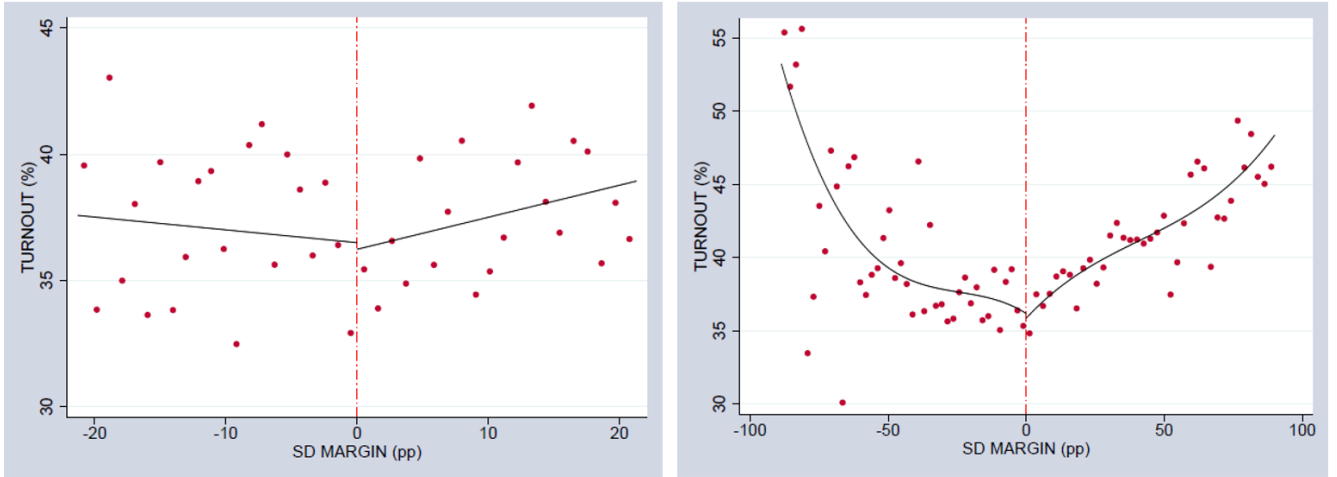
Note: The figure illustrates the discontinuous jump in past electoral covariates taking place at the zero SD MARGIN threshold. The dependent variables are the vote share obtained by the SDs, and the turnout recorded in the 2014 elections for the European Parliament, in panels A and B, respectively. In both panels, the first graph is generated via local linear regressions on both sides of the discontinuity, using the sample restricted via the optimal-bandwidth CCT algorithm. The second graph is created by fitting a third-order spline polynomial approximation on both sides of the discontinuity, using the entire final sample.

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Figure 5, corresponding to panel A, reinforces the results of these balance tests visually.[35] For robustness, I present plots generated by applying both local linear regressions to the optimal-bandwidth restricted sample, as well as a third order spline polynomial approximation on the full sample. Regardless, visual inspection suggests that the covariates are balanced around the threshold.

Overall, the RD method appears contextually valid. Therefore, I posit that the results discussed in the remainder of this paper can (with a certain degree of reasonable caution) be interpreted as consistent estimates for the causal effects of sub-national incumbency.

6 Results

I present my findings in three subsections. In Section 6.1, I assess the reverse local coattails effect in the 2016 parliamentary elections. I find evidence for significant sub-national incumbency externalities. Next, in Section 6.2, I investigate whether the 2016 technocratic government engaged in clientelism. I do not find any evidence in terms of a discriminatory allocation of national funds, a widely documented clientelistic practice for which data are systematically available. Finally, in Section 6.3, I conduct two complementary analyses to assess whether promising *future* clientelistic disbursements might have played a role in explaining the documented incumbency premia. I find some evidence in this sense.

6.1 Main Results: Reverse Political Coattails under a Technocratic Government

I begin by evaluating whether the SDs benefited from sub-national incumbency in the 2016 parliamentary race. Figure 6 presents this main result visually. The first graph is generated via local linear regressions on the optimally restricted sample, while the second

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[35]For conciseness purposes, I omit here similar illustrations relating to the estimates in panel B - these graphs are available upon request.

plot comes from fitting a third order spline polynomial approximation on the full sample. Regardless of the fitted model, I find significant differences in the parliamentary vote share obtained by the SDs when comparing areas where their candidates narrowly won or lost the local ballot. Visual inspection shows a large jump in the dependent variable precisely at the zero win margin threshold, a result that would be difficult to explain by models (even highly non-linear ones) which do not account for the direct effect of sub-national incumbency. This finding, combined with the lack of statistical evidence for any pre-intervention performance differences (Figure 5, panel A), suggests that the impact is causal.

Quantitatively, the effect is meaningful both statistically and economically as shown in Table 3, where I present the coefficient estimates obtained via an OLS specification in column (1), as well as by the different RD variants employed in columns (2) to (5). According to my preferred specification, derived in column (2) via optimal-bandwidth local linear regressions, sub-national incumbency led to a causal, strongly statistically significant increase in the parliamentary vote share obtained by the SDs of just under 11 percentage points.

It is reassuring that this estimate largely unaffected by bandwidth or model alterations, or by the inclusion of electoral, demographic or policy-related covariates. Furthermore, in terms of goodness of fit, I note from panel A that local incumbency by itself is able to explain around 32 percent of the variation in national vote shares according to the R-squared measure estimated in the preferred specification. Looking at column (5), this measure increases to 54 percent when instead relying on the third-order polynomial spline specification which accounts for the entire sample space.

Figure 6: Reverse Political Coattails under a Technocratic Government (Main Results)

(a) Local RD
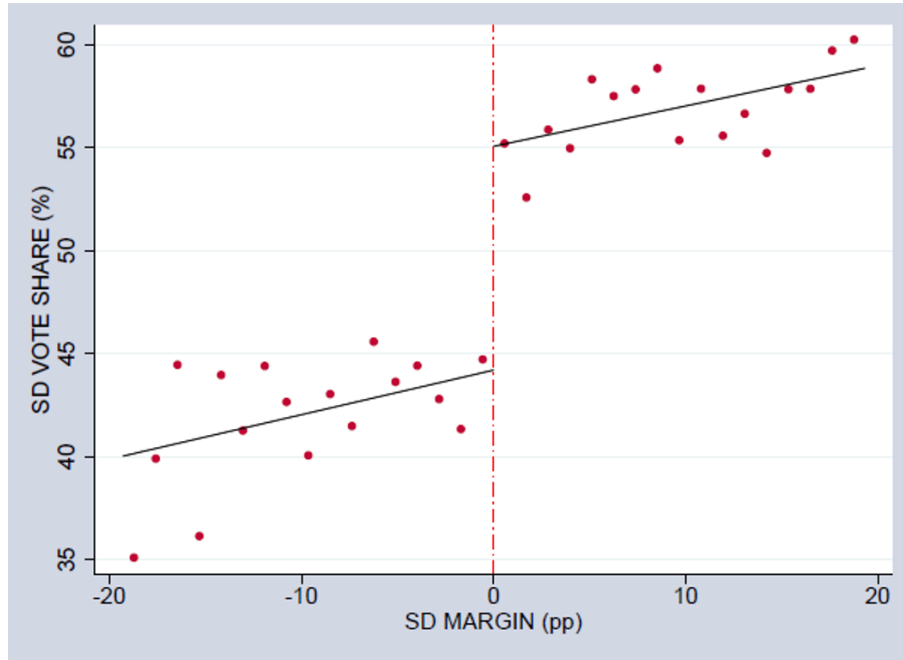
(b) Global RD
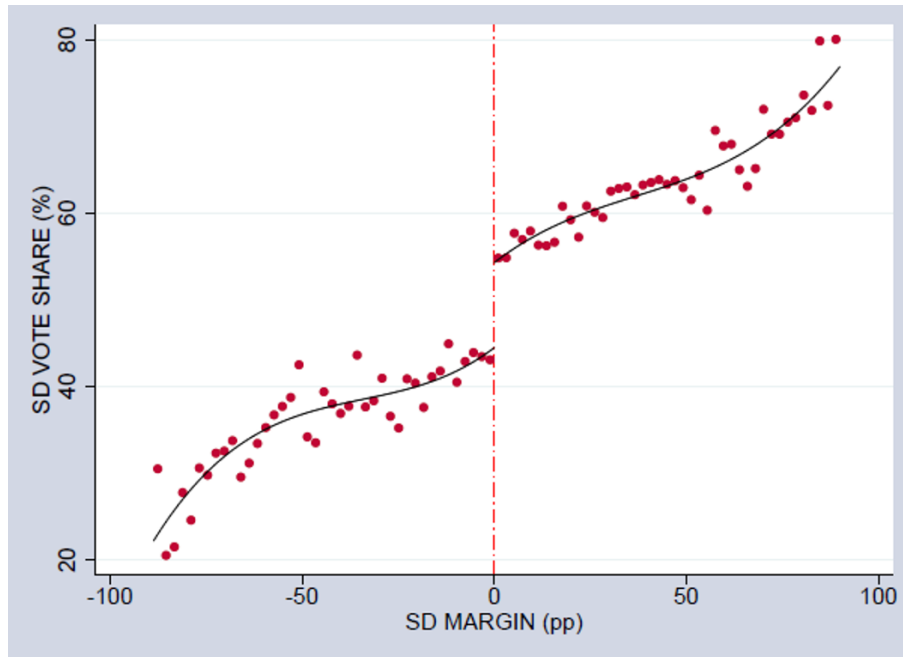
Note: The figure illustrates the discontinuous jump in electoral performance in the 2016 ballot for the National Parliament, taking place at the zero SD MARGIN threshold. The dependent variable is given by the vote share obtained by the SDs. The first graph is generated via local linear regressions on both sides of the discontinuity, using the sample restricted via the optimal-bandwidth CCT algorithm. The second graph is created by fitting a third-order spline polynomial approximation on both sides of the discontinuity, using the full final sample.

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Table 3: Main Results - Reverse Political Coattails under a Technocratic Government

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament					
Panel A - No Covariates					
INC	23.0***	10.9***	10.5***	10.9***	9.69***
	(0.498)	(1.47)	(2.07)	(3.00)	(1.41)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	807	445	229	2,339
Margin h	-	19.4	9.68	4.84	-
R-squared	0.47	0.32	0.30	0.23	0.54
Panel B - Covariates Included					
INC	16.5***	11.2***	11.1***	12.0***	10.1***
	(0.548)	(1.35)	(1.84)	(2.65)	(1.30)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	807	445	229	2,339
Margin h	-	19.4	9.68	4.84	-
R-squared	0.63	0.46	0.43	0.37	0.65

Note: I report the estimated effect of local partisan incumbency on electoral performance in the 2016 ballot for the National Parliament. The dependent variable is the vote share obtained by the SDs. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (2) - (4) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (5), I present coefficients estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample. No control variables are included in the specifications employed in panel A. In panel B, I 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

Qualitatively, the magnitude of this estimate suggests that the control of local offices had a meaningful electoral impact, given that the retrieved point estimate is equal to roughly one fourth of the overall score obtained by the SDs in the parliamentary ballot - 45 percent. In light of these numbers, I conclude that (at least contextually) sub-national incumbency represents a valuable electoral resource in national elections.

Finally, I complement the analysis by investigating whether the documented reverse local coattails effects are better explained by differences in electoral mobilization or changes

Table 4: Documenting the Effect of Local Party Incumbency on Turnout

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
Dependent Variable: Turnout in the 2016 Elections for the National Parliament					
Panel A - No Covariates					
INC	1.31***	-0.544	0.120	0.793	-0.158
	(0.413)	(1.29)	(1.75)	(2.55)	(1.22)
	[0.002]	[0.673]	[0.945]	[0.756]	[0.897]
Observations	2,339	753	403	211	2,339
Margin h	-	17.7	8.87	4.44	-
R-squared	0.004	0.002	0.000	0.001	0.041
Panel B - Covariates Included					
INC	-0.147	0.158	-0.136	0.478	-0.063
	(0.298)	(0.799)	(1.06)	(1.47)	(0.744)
	[0.620]	[0.843]	[0.898]	[0.745]	[0.933]
Observations	2,339	753	403	211	2,339
Margin h	-	17.7	8.87	4.44	-
R-squared	0.63	0.59	0.61	0.69	0.64

Note: I replicate the main analysis in Table 3 after replacing the dependent variable with the turnout (percent of registered voters) recorded in the 2016 elections for the National Parliament.

in voter composition. To do so, using the same empirical methodology, I assess whether sub-national incumbency had a causal effect on turnout.

My findings are reported in Table 4. Overall, the results show negligible turnout differences between affiliated and non-affiliated constituencies. Strictly speaking, I do not have sufficient evidence to reject the null hypothesis of no incumbency effects in my preferred specification (column 2, panel B), or in any of the other models employed. I therefore conclude that the impact of partisan incumbency is contextually driven primarily by changes in the composition of the electorate rather than a mobilization effect.[36]

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[36]I return to these findings in Appendix B, where I further interpret them as evidence suggesting that the 2016 technocratic regime did not engage in co-partisan strategic clientelism.

6.2 Did the Technocratic Government Engage in Co-partisan Clientelism?

My main objective is to investigate whether sub-national incumbency causally affects parliamentary performance absent a partisan alignment between local and central governments, and the associated top-down practices enabled therein. As discussed in Section 3.2, the 2016 technocratic government in Romania had theoretically limited incentives to implement co-partisan clientelism. In this section, I use local-level revenue information to formally corroborate this claim by ruling out one of the most commonly discussed means of favoritism: the strategic pork-barrel targeting of state resources.

Results are reported in Table 5, which shows the estimated effects of local SD incumbency on 2016 total revenues, centrally-derived income, as well as the two more disaggregated revenue categories, $TRANSFERS_i$ and $GRANTS_i$. For all outcomes, I report estimates from an OLS specification in columns (2). All other columns contain RD results. In columns (3) to (5), I show estimates derived by local linear regressions after restricting the sample in accordance with the optimal bandwidth[37]. In columns (6), I present findings retrieved by fitting a split third order polynomial specification on the entire sample. When considered, controls include past electoral, demographic and policy-related covariates.

All in all, I find little to no evidence for clientelistic fiscal allocations. With the exception of the naive OLS specification in panel A, which ignores the issue of affiliation endogeneity, and in which underlying confounders are not accounted for, I am unable to reject the null hypothesis of a zero incumbency impact for any of the variables considered. Looking at central income in my preferred specification given in panel B column (5), the retrieved coefficient is tightly estimated around zero, suggesting that the economic impact of sub-national incumbency is also negligible in this context. Results further remain robust across the different model alterations considered.

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[37]Note that zooming in to tighter bandwidths leaves results unchanged - available upon request.

Table 5: Lack of Evidence for Central Fiscal Clientelism under the 2016 Technocratic Government

			Treatment Variable: INC		
(1)	(2)	(3)	(4)	(5)	(6)
Dependent	OLS	Optimal	Number of	Local RD	Global RD
Variable	Estimate	Margin h	Observations	Estimate	Estimate
		Panel A - No Covariates			
TOTAL INCOME	0.021			0.015	0.014
	(0.017)	16.1	687	(0.059)	(0.053)
	[0.233]			[0.803]	[0.799]
CENTRAL INCOME	0.099***			0.020	-0.019
	(0.022)	15.5	661	(0.074)	(0.065)
	[0.000]			[0.789]	[0.773]
TRANSFERS	0.016			0.030	0.026
	(0.010)	17.1	735	(0.035)	(0.032)
	[0.114]			[0.389]	[0.423]
GRANTS	0.165***			-0.084	-0.089
	(0.029)	16.0	683	(0.094)	(0.086)
	[0.000]			[0.370]	[0.300]
		Panel B - Covariates Included			
TOTAL INCOME	-0.002			-0.004	-0.013
	(0.014)	16.1	687	(0.041)	(0.038)
	[0.877]			[0.918]	[0.724]
CENTRAL INCOME	0.008			0.013	-0.026
	(0.019)	15.5	661	(0.057)	(0.051)
	[0.671]			[0.825]	[0.607]
TRANSFERS	0.002			0.033	0.014
	(0.008)	17.1	735	(0.023)	(0.021)
	[0.753]			[0.157]	[0.497]
GRANTS	0.032			-0.064	-0.067
	(0.028)	16.0	683	(0.079)	(0.072)
	[0.254]			[0.417]	[0.354]

Note: I report the estimated effects of local partisan incumbency on 2016 local revenues. All outcomes are measured in log per capita amounts. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (3) - (5) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (6), I present coefficients estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample (2,339 observations). No control variables are included in the specifications employed in panel A. In panel B, I 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<.01

Overall, these findings are reassuring in that I do not find evidence for discriminatory central government behavior. Taken together with the results of Section 6.1, where I document meaningful positive reverse local coattails, I argue that the findings presented here shed light on the underlying mechanism linking local incumbency with national party performance. Chiefly, my results suggest that concurrent discriminatory central practices and any associated synergistic effects are not necessary for strong sub-national incumbency externalities to materialize, complementing the existing scholarship which has so far identified central clientelism as an important mechanism explaining the electoral value of local office control - as detailed in Section 2.

That said, I note that the results discussed here do not completely rule out favoritism and should therefore be cautiously interpreted. After all, political measures often extend beyond straightforward fiscal aid, and local incumbents may benefit from preferential central treatment in other dimensions[38] - for instance, opposition intimidation efforts in non-aligned constituencies, or the discriminatory implementation of social programs. Unfortunately, due to data limitations, I am unable to conclusively rule out these other channels. Nonetheless, I argue that, given the government's apolitical nature, as well as its unexpected instauration, concerns pertaining to favoritism ought still to be reduced if not completely muted. Moreover, the null results I find when investigating overall revenues suggest that other discriminatory means that would have led to the asymmetric enrichment of local communities were not meaningful[39].

Finally, a related query is whether this context is unique - perhaps discriminatory central behavior and the top-down channel are of negligible concern in Romanian politics in general. If so, there might be no inherent benefit to investigating local incumbency externalities in the technocratic administration. To address this issue, in the following subsection, I use revenue information for 2017 and 2018 to assess whether the SDs, now back in power, engaged in fiscal favoritism. Overall, I find some evidence supporting the

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[38]As documented in Hsieh et al. (2011), Brollo and Nannicini (2012), or Kemahlioglu and Bayer (forthcoming), among others.

[39]See Appendix B for a complementary analysis providing further evidence suggesting that the technocratic regime did not engage in (non-fiscal) co-partisan favoritism.

strategic allocation of national funds to co-partisan constituencies. I argue that these results - which complement the findings of Borcan (forthcoming) who documents similar clientelistic patterns in 2013 - corroborate the validity of focusing on the technocratic setting examined here in order to partially isolate the bottom-up mechanism.

6.3   The Importance of Future Clientelism: Some Insights

Up until this point, I provided evidence indicating that meaningful sub-national incumbency externalities can materialize under a technocratic government. As previously mentioned, however, the investigated context solely permits me to isolate the reverse local coattails effect from the moderating influence of clientelistic and synergy advantages brought upon by a *contemporaneous* alignment with the national government - this represents my paper's core contribution.

That said, my findings do not imply that central alignment does not play a role in a more dynamic sense. In fact, in line with classic theories proposed by Robinson and Verdier (2013) among others, local incumbents can partially generate goodwill for affiliated up-ticket candidates precisely by promising *future* discriminatory central actions, to be carried out once their party gains national power. Anticipating such strategic behavior, rational, forward-looking voters will be more likely to support their mayor's party in national races, in order to increase their likelihood of receiving targeted resources.

Despite this theoretical perspective, empirical work thus far has not been able to provide evidence corroborating the effectiveness of clientelistic promises in and of themselves, precisely because (just like bottom-up actions more broadly) their influence cannot be generally isolated from the impact of concurrent discriminatory practices. In this subsection, I take further advantage of the unique political context studied here to make some progress in this sense, by assessing whether promising future favoritism was a meaningful tool sub-national incumbents used to stimulate the vote.

I intuitively begin by asking whether fiscal clientelism took place after the SDs returned to power. To do so, I quantify the impact of local incumbency on central transfers received in 2017 and 2018 using analogous methods to those employed in Section 6.2.

Table 6 reports my findings. In panel A, I aggregate my observations for both years, clustering standard errors at the constituency-level to account for the fact that the same geographical units are observed twice. In panels B and C, I restrict the sample to observations recorded in 2018 and 2017, respectively.

Overall, the estimated coefficients corroborate the hypothesis whereby the now political government engaged in strategic fiscal targeting. To exemplify, consider *CENTRAL INCOME$_i$*, and focus on column (5), which presents the results from my preferred specification. The estimate in panel A suggests that constituencies with SD incumbents received approximately 13 percent more funds from the national government, relative to constituencies where the SDs lost the 2016 mayoral race. Moreover, in line with an underlying electoral motif, the impact of incumbency is estimated to be more than three times as large in 2018, a pre-electoral year, relative to 2017, the year in which the SDs had returned to power (just above 19 percent in panel B versus 6.2 percent in panel C).

Although insightful, I note that these findings only suggest that electorally-driven clientelism likely took place once the political regime was re-instated. They do not directly imply that the sub-national incumbency externalities documented above can be (partially) credited to local politicians promising such discriminatory actions. Unfortunately, providing direct evidence in this sense is not feasible here because data on local manifestos or public speeches for example, where evidence for clientelistic pledges could potentially be found, are not systematically available.

To partially circumvent this difficulty, and corroborate the fact that clientelistic promises were effectively employed, I conduct a theory-backed analysis by exploring the heterogeneity of the incumbency effect along a specific demographic dimension - the size of the electorate. My a priori justification is as follows: as documented in Stokes (2005), as well as Robinson and Verdier (2013), in the presence of secret ballots and non-observable

Table 6: Evidence for Central Fiscal Clientelism under a Political Government

	(1)	(2)	(3)	(4)	(5)	(6)
	Dependent Variable	OLS Estimate	Optimal Margin h	Number of Observations	Local RD Estimate	Global RD Estimate
			Treatment Variable: INC			

	(1) Dependent Variable	(2) OLS Estimate	(3) Optimal Margin h	(4) Number of Observations	(5) Local RD Estimate	(6) Global RD Estimate
Panel A - Full Sample						
TOTAL INCOME	0.029** (0.013) [0.025]	14.8	1,270		0.083** (0.042) [0.048]	0.075** (0.037) [0.043]
CENTRAL INCOME	0.045** (0.019) [0.021]	14.5	1,248		0.128** (0.061) [0.035]	0.108** (0.054) [0.044]
TRANSFERS	0.026** (0.011) [0.016]	14.8	1,270		0.102*** (0.034) [0.003]	0.083*** (0.029) [0.004]
GRANTS	0.020 (0.015) [0.193]	13.4	1,162		0.035 (0.045) [0.433]	0.069* (0.041) [0.095]
Panel B - Sample Restricted to 2018						
TOTAL INCOME	0.055*** (0.018) [0.002]	14.8	635		0.108* (0.058) [0.061]	0.117** (0.051) [0.023]
CENTRAL INCOME	0.080*** (0.029) [0.005]	14.5	624		0.193** (0.089) [0.030]	0.189** (0.078) [0.016]
TRANSFERS	0.039** (0.019) [0.037]	14.8	635		0.156*** (0.057) [0.006]	0.138*** (0.049) [0.005]
GRANTS	0.042* (0.022) [0.053]	13.4	581		0.044 (0.062) [0.476]	0.112** (0.056) [0.045]
Panel C - Sample Restricted to 2017						
TOTAL INCOME	0.004 (0.014) [0.799]	14.8	635		0.057 (0.044) [0.191]	0.033 (0.038) [0.380]
CENTRAL INCOME	0.010 (0.019) [0.619]	14.5	624		0.062 (0.059) [0.294]	0.027 (0.051) [0.593]
TRANSFERS	0.012 (0.008) [0.140]	14.8	635		0.049 (0.030) [0.102]	0.029 (0.024) [0.231]
GRANTS	-0.003 (0.015) [0.829]	13.4	581		0.027 (0.046) [0.569]	0.026 (0.042) [0.546]

Note: I report the estimated effects of local partisan representation on local revenues recorded in 2017 and 2018. All outcomes are measured in log per capita amounts. In Panel A, I present results for the entire sample. In panels B and C, I show effects retrieved separately for 2018 and 2017, respectively. The optimal bandwidth is selected using the CCT algorithm. In all specifications, I 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. In Panel A, standard errors (in round brackets) are clustered at the constituency level. In panels B and C, robust standard errors are reported; p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

Table 7: The Reverse Coattails Effect - Heterogeneity by the Size of the Electorate

	(1) Baseline Results	(2) First Quartile	(3) Second Quartile	(4) Third Quartile	(5) Fourth Quartile	(6) Difference p-value
	10.5***	14.2***	10.3***	11.2***	7.14***	
INC	(1.60)	(3.03)	(2.19)	(2.00)	(2.45)	0.036
	[0.000]	[0.000]	[0.000]	[0.000]	[0.004]	
Observations	2,844	709	710	711	711	-
Clusters	719	339	440	425	372	-
Margin h	16.7	16.7	16.7	16.7	16.7	-
R-squared	0.30	0.28	0.32	0.32	0.37	-

Note: In column (1), I replicate the analysis from Table 3, panel B, column (2) using data disaggregated at the polling station-level. In columns (2) - (5), I re-run the baseline specification on subsamples defined by the quartiles of electorate numbers. The p-value reported in column (6) is associated with the one-sided null hypothesis that the effect of incumbency is numerically smaller in column (5) relative to column (1). In all specifications, I 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. Standard errors reported in (round brackets) are clustered at the constituency-level; p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

individual votes, local incumbents can secure goodwill by conditioning future clientelistic favors on aggregate voting outcomes. In light of this argument, if we are willing to assume that informal monitoring and contracting are relatively cheaper in areas where few registered voters reside, then the reverse coattails effect should be stronger in low-population districts, because the *fraction* of voters that can be persuaded via clientelistic promises is higher.

To test this hypothesis empirically, I exploit an appealing contextual feature - that data is disaggregated at the polling station-level - and assess whether sub-national incumbency led to different electoral gains for the SDs depending on the number of voters registered at a given polling station. To do so, I fit the optimal-bandwidth local linear RD specification 1 separately for low and high population stations, as defined by the four quartile of the distribution of electorate numbers. Table 7 reports the results. In column (1), I re-run the preferred specification from Table 3 using polling station disaggregated data. I then proceed in columns (2) to (5) to break down the sample according to the underlying distribution of electorate numbers, fitting equation 1 on the different quartiles.

Figure 7: Reverse Political Coattails under a Technocratic Government - Margins Plot by Electorate Numbers

Average Marginal Effect of INC with 95% CIs
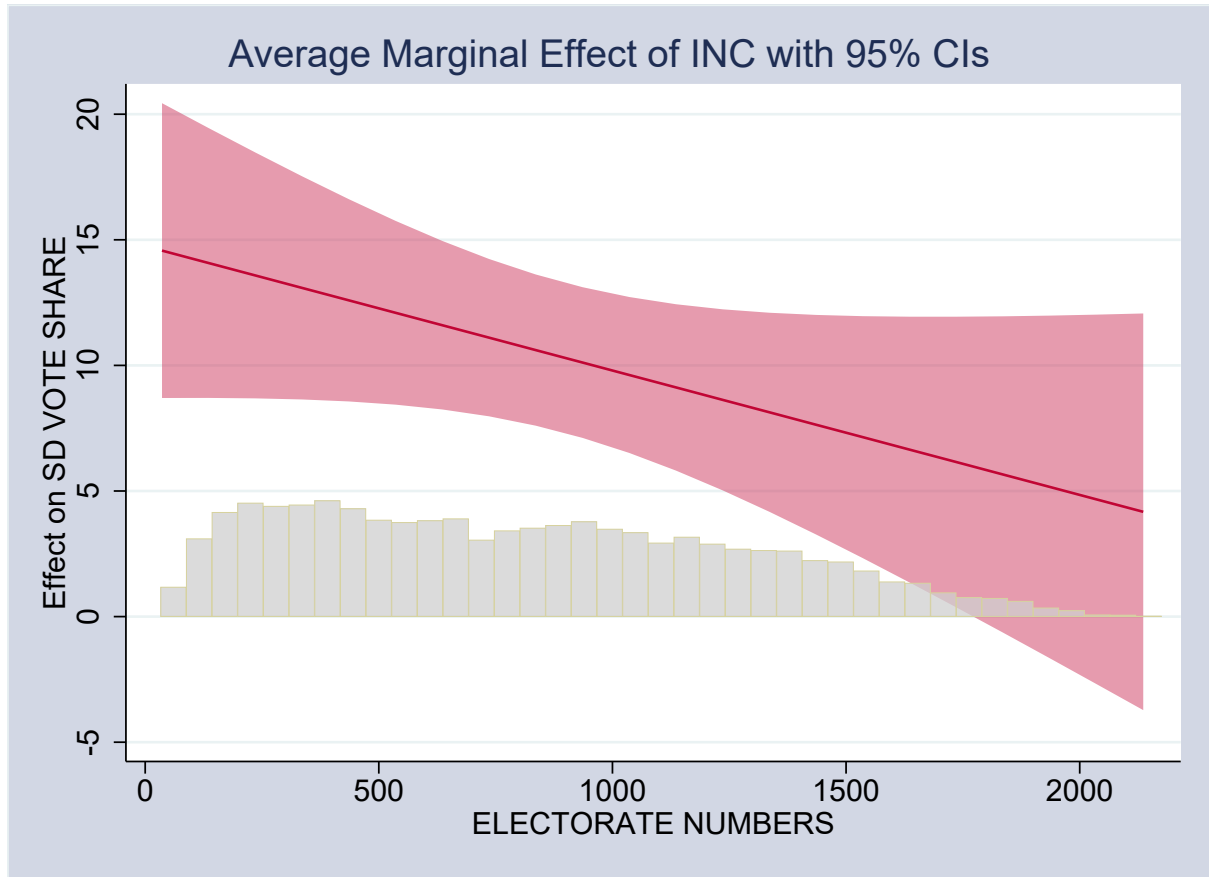
Note: The figure illustrates the average marginal effect and corresponding 95 percent confidence intervals of local incumbency on national electoral performance (SD vote share in the 2016 parliamentary race), estimated for different polling station-level electorate numbers using RD local linear regressions on both sides of the zero SD MARGIN threshold.

Complementarily, in Figure 7, I plot the estimated average marginal effect of subnational incumbency on the SDs' national vote share for a continuous measure of electorate numbers, alongside corresponding 95 percent confidence intervals.

Overall, the emerging pattern indicates that the number of registered voters does moderate the strength of the reverse local coattails effect. Although this finding should not be interpreted causally, since other unobserved factors might correlate with both electorate sizes as well as voter preferences, it nevertheless corroborates the theoretical view wherein sub-national incumbency externalities are larger in sparsely populated areas. To

this point, moving from polling stations situated in the bottom quartile of the electorate numbers' distribution to those situated in the top quartile, the estimated LATE of local incumbency drops by roughly half.

Although the two analyses conducted here offer limited insights when considered separately[40], I argue that, together, they provide evidence suggesting that sub-national incumbency premia can be partially explained by promises of future co-partisan clientelism, as hypothesized. We see that the SDs likely carried out strategic resource targeting towards aligned constituencies once back in power, and that the estimated reverse coattails effect was strongest precisely where we would theoretically expect them to be if anticipating such central favoritism mattered. Importantly, I argue that the role played by clientelistic promises observed here is not confounded by contemporaneous discriminatory practices as in other settings. This represents a secondary contribution of my paper.

6.4 Additional Tests and Robustness Checks

In Appendix B, I conduct a battery of additional tests and robustness checks which complement the main analysis, but which are nevertheless not crucially pertinent for the paper's core objective.

7 Summary and Conclusions

I investigate sub-national incumbency externalities following a tragic event which unexpectedly severed the partisan alignment linking local and national governmental forces. Using novel constituency-level data from Romania and an RD strategy, I find strong evidence suggesting that the control of local offices causally lead to meaningful vote share premia in the 2016 parliamentary race. Quantitatively, I estimate the effect at roughly

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[40]Even abstracting from any endogeneity concerns associated with the latter heterogeneity analysis, finding that electorate numbers moderate the strength of sub-national incumbency externalities does not immediately suggest that clientelistic promises were employed. For instance, the same pattern might emerge if other bottom-up actions such as the strategic targeting of pre-electoral expenditures were more effectively carried out by local leaders in sparsely populated areas due to lower information acquisition costs.

11 percentage points, a nontrivial impact that can significantly affect the ensuing distribution of national power.

I argue that my findings complement the richer literature on fiscal favoritism by providing an electoral justification for why parties direct large amounts of resources towards strengthening their hold on local offices (Ventura, forthcoming), a phenomenon that has been widely documented in recent work in both the developed and developing world. Because of the unique setting in which the 2016 ballots took place, my results suggest that local incumbency can benefit parties even under a technocratic government, a context in which the scope of contemporaneous clientelistic measures, and possible local-central synergistic effects are reduced.

Besides this political dimension, appraising the consequences of local incumbency allows us to better understand how electoral incentives shape local distributive policies. As already discussed, Romania is a transition economy where local administrations are characterized by relatively weak self-funding capacities, and hence a strong dependence on national resources. Such resources are used for local-level investments in education, infrastructure, social services and so forth. Thus, disentangling the electoral incentives behind central investments can ultimately help us better explain large variations in local development.

That said, this paper's findings ought to be interpreted cautiously - I note here three key limitations which future work might tackle. First, as previously mentioned, given that my analysis focuses on one country at one particular point in time, the external generalizability of my results is questionable. For example, it is unclear whether the same patterns would emerge in a setting where the restrictions placed on the discretion of local incumbents are relatively more stringent. Second, more work is needed to check whether the documented patterns may be generalized to a dynamic setting, where future favoritism can also be plausibly ruled out.

Finally, additional investigations are required to further disentangle the mechanism underlying sub-national incumbency externalities. While my findings suggest that con-

current central alignment is - in certain contexts - not necessary for substantial premia to materialize, and that promises of future clientelistic actions might partially explain the results instead, they do not speak as to the exact set of tools via which local politicians stimulate the vote. That said, the more general approach taken here[41] provides a useful starting point towards better understanding the electoral value of sub-national incumbency.

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[41]Especially when taken in conjunction with investigations that narrow the focus down to a particular aspect of the relationship - such as voter fraud in Borcan (forthcoming).

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Appendix

Appendix A - Variables and Data Sources

I 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 (Chamber of Deputies and Senate). Source: Romania's Permanent Electoral Authority / 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 Permanent Electoral Authority / 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: Romania's Permanent Electoral Authority / Central Electoral Bureau.

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

- *ELECTORATE* records the total number of registered voters at a given polling station. Source: Romania's Permanent Electoral Authority / Central Electoral Bureau.

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

- *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 Public Finance.

- *TRANSFERS* records income per capita in a given constituency disbursed by the central government from revenues generated via the VAT, 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.

- *GRANTS* records income per capita in a given constituency disbursed by the central government as subsidies or infrastructure grants. 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.

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

- *MUNICIPALITY* is a dummy variable coded one if the constituency is officially classified as a municipality (zero otherwise). Source: Romania's National Institute of Statistics.

Appendix B - Supplementary Analyses

Addressing Regional Favoritism

The technocratic setting investigated in the main text allows me to appraise sub-national incumbency externalities absent co-partisan discriminatory efforts carried out by the *national* government. A remaining concern is that the documented coattails effect might instead be explained by clientelistic 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. If this holds, the pattern documented in the main analysis might be driven by regional favoritism, rather than by independent bottom-up actions.

To address this issue, I retrieve data from the CEB on the party composition of county councils (the ruling county-level authority). I then code a dummy variable $STRONG_c$ equal to one in county c if (following the 2016 local elections) a majority of councillors are affiliated with either the SDs or their minority partner ALDE (zero otherwise).[42] Following this procedure, 23 out of the 41 counties receive a value of one ("strong"), while the remainder are assigned zero ("weak").

Intuitively, I hypothesize that sub-national incumbency externalities should be significantly larger in magnitude in constituencies situated in areas where the SDs enjoy high amounts of county-level discretion, if the reverse coattails effect is to be partially explained by regional favoritism. Empirically, I 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.

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[42]Note that electing county members happens simultaneously with the mayoral race. Further note that I prefer accounting for both SD and ALDE representatives when defining county strength as I 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.

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

$$
\begin{aligned}
Y_i = {}& \alpha + \gamma_0 \text{SD MARGIN}_i + \delta_0 \text{INC}_i + \rho_0 \text{STRONG}_c + \omega_0 \text{INC}_i * \text{SD MARGIN}_i \\
& + \text{STRONG}_c(\gamma_1 \text{SD MARGIN}_i + \delta_1 \text{INC}_i + \omega_1 \text{REP}_i * \text{SD MARGIN}_i) + \rho X_i + \epsilon_i
\end{aligned}
\tag{3}
$$

In equation 3, 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 areas where the SDs enjoy high discretionary power by virtue of having a county-council political majority. If the reverse coattailseffect is to be partially explained by regional favoritism, I 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 strength does not moderate the effects of sub-national incumbency. Therefore, in light of these findings, I cannot conclude that regional favoritism drives the estimated reverse coattails effect.

Table B1: Reverse Local 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	(5) Global RD Estimate
	Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament				
INC	15.5***	10.5***	12.1***	13.0**	9.26***
	(0.785)	(2.45)	(3.52)	(5.40)	(2.40)
	[0.000]	[0.000]	[0.001]	[0.017]	[0.000]
STRONG	6.42***	7.88***	11.1***	11.9***	7.06***
	(0.643)	(1.85)	(2.33)	(3.41)	(1.81)
	[0.000]	[0.000]	[0.000]	[0.001]	[0.000]
INC * STRONG	1.33	0.380	-2.02	-2.26	0.830
	(0.873)	(2.84)	(4.02)	(6.05)	(2.80)
	[0.128]	[0.894]	[0.616]	[0.709]	[0.767]
Observations	2,339	807	445	229	2,339
Margin h	-	19.4	9.68	4.84	-
R-squared	0.66	0.52	0.51	0.50	0.69

Note: I investigate whether county-level political strength moderates the national electoral effects of local incumbency. 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. STRONG is a dummy variable equal to one if a majority of county-level councillors are aligned with the SDs or ALDE (zero otherwise). Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (2) - (4) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interactions with INC and STRONG. In column (5), I present results estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample. I 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

Polling Station Analysis

As discussed in Section 4, since mayors are elected to represent constituencies, I use electoral information at this level of aggregation in the main analysis. Here, I replicate my results employing numbers measured at the polling station-level instead. Given that multiple polling stations can be located within the same constituency, I cluster the standard errors at the constituency-level to address any potential issue arising from group correlations. Besides this aspect, the investigation proceeds analogously.

I report the results in Table B2, with a corresponding visual illustration in Figure B1. In terms of both the economic and statistical significance of the findings, I conclude that results remain qualitatively insensitive to this alternative approach.

Table B2: Reverse Political Coattails under a Technocratic Government (Polling Station Analysis)

|	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament					
Panel A - No Covariates					
INC	21.2***	10.7***	9.75***	10.4***	8.73***
	(0.546)	(1.77)	(2.52)	(3.50)	(1.60)
	[0.000]	[0.000]	[0.000]	[0.004]	[0.000]
Observations	9,440	2,844	1,477	816	9,440
Clusters	2,339	719	379	198	2,339
Margin h	-	16.7	8.34	4.17	-
R-squared	0.35	0.18	0.16	0.12	0.41
Panel B - Covariates Included					
INC	14.5***	10.5***	10.4***	10.1***	8.92***
	(0.570)	(1.60)	(2.23)	(3.10)	(1.45)
	[0.000]	[0.000]	[0.000]	[0.001]	[0.000]
Observations	9,440	2,844	1,477	816	9,440
Clusters	2,339	719	379	198	2,339
Margin h	-	16.7	8.34	4.17	-
R-squared	0.49	0.30	0.25	0.24	0.51

Note: I report the estimated effect of local partisan incumbency on the vote share obtained by the SDs in the 2016 elections using information disaggregated at the polling station-level. The dependent variable is given by the vote share obtained by SDs. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (2) - (4) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (5), I present results estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample. No control variables are included in the specifications employed in panel A. In panel B, I 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. Standard errors (in round brackets) are clustered at the constituency level; p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

Figure B1: Main Results Replicated Using Polling Station-level Information

(a) Local RD
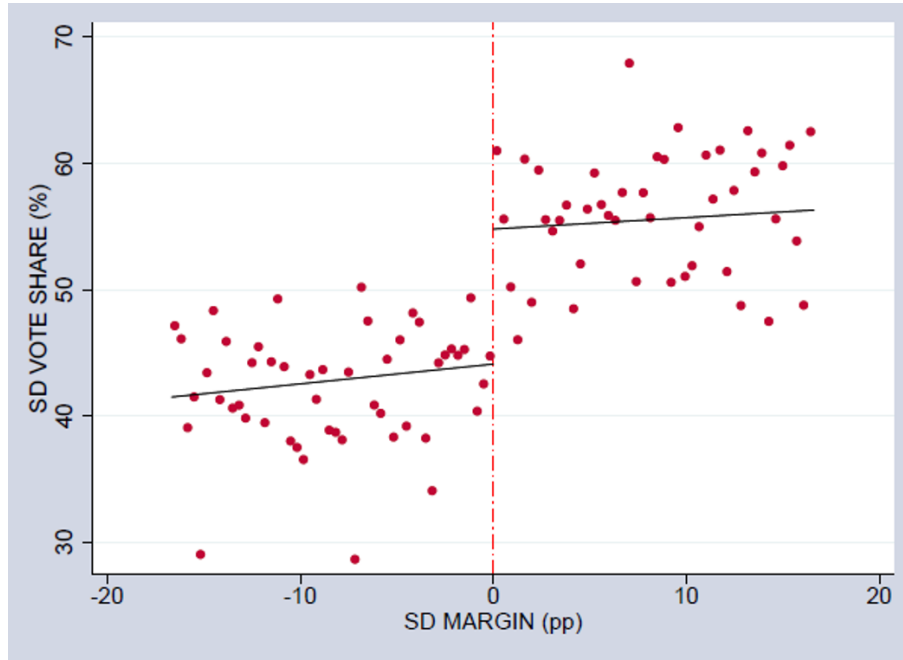
(b) Global RD
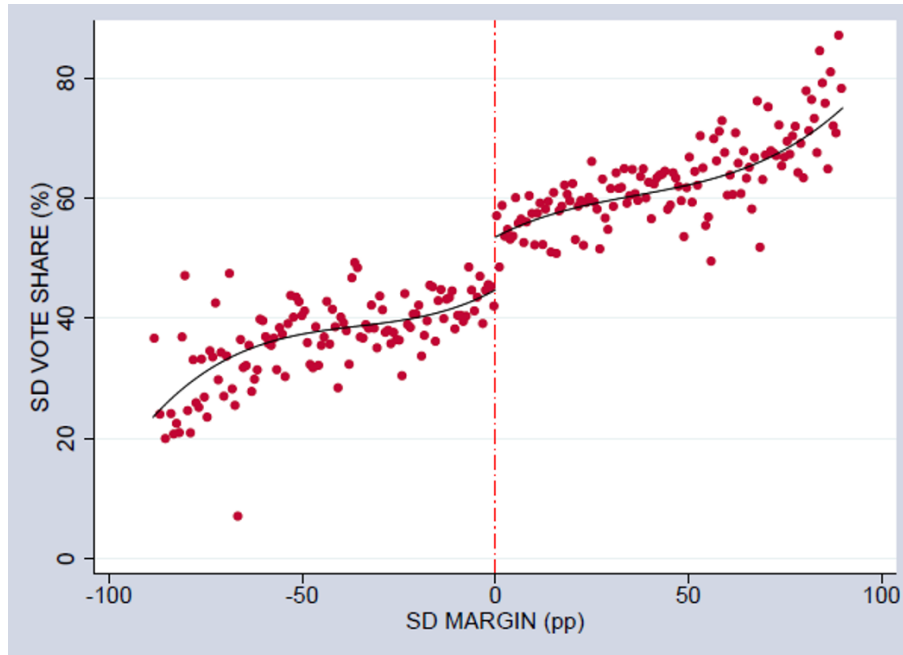
Note: The figure illustrates the discontinuous jump in electoral performance in the 2016 ballot for the National Parliament taking place at the zero SD MARGIN threshold. The dependent variable is the vote share obtained by SDs measured at the polling station-level. The first graph is generated via local linear regressions on both sides of the discontinuity, using the sample restricted via the optimal-bandwidth CCT algorithm. The second graph is created by fitting a third-order spline polynomial approximation on both sides of the discontinuity, using the full final sample.

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Further Evidence for No Co-partisan Favoritism under the Technocratic Government: Local Incumbency and National Turnout

Recall that, in the main analysis, I did not find evidence suggesting that the control of sub-national governments significantly impacted turnout in the 2016 parliamentary ballot (see Table 4), and interpreted this null finding as indicating that the documented reverse coattails can contextually be explained largely by a change in the electorate's composition, rather than by a mobilization effect.

Importantly for the overarching narrative, I argue that this result also provides further *suggestive* evidence supporting a lack of co-partisan favoritism by the 2016 technocratic government. My reasoning is as follows: intuitively, had the national government targeted electorally-influential favors (even non-financial ones) towards constituencies represented by members of a particular competing party, I would expect such measures to partially influence electoral mobilization over and above the isolated capacity of local organizations.[43] In light of this, I argue that the null effect of local incumbency on national turnout retrieved in the main text further constraints the scope of possible discriminatory central measures as any such policies would have had to impact vote shares exclusively, without affecting turnout numbers.

Of course, I term this evidence "suggestive" because alternative narratives exist that may explain the observed pattern even in the presence of discriminatory behavior. For instance, suppose the national administration provided non-financial aid to local NL incumbents that *did* increase turnout. Then, it is possible that knowing that they can rely on central support, any incentives to invest local bottom-up mobilization efforts might have fallen for preferentially treated NL mayors. In this scenario, I would be unable to reject the null hypothesis of no turnout effects not because no strategic central measures were in place, but because such initiatives substituted for local mobilization efforts.

---

[43]This is in line with a number of papers documenting how federal interventions increase support primarily via stimulating higher turnout rates - see e.g. De la O (2013) who, in the context of a federally-implemented conditional cash transfer program, points out that *"the [recorded] electoral bonus (…) may be best explained by a mobilizing rather than persuasive mechanism"*.

Table B3: Documenting the Effects of Local Party Incumbency in the 2019 Elections for the European Parliament

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
	Panel A - Dependent Variable: SD Vote Share				
INC	7.19***	4.50***	4.72***	6.63***	3.06**
	(0.480)	(1.31)	(1.71)	(2.25)	(1.22)
	[0.000]	[0.001]	[0.006]	[0.004]	[0.012]
Observations	2,339	715	377	197	2,339
Margin h	-	16.6	8.31	4.15	-
R-squared	0.57	0.42	0.41	0.47	0.58
	Panel B - Dependent Variable: Turnout				
INC	2.00***	2.08*	3.29*	1.63	2.42**
	(0.447)	(1.25)	(1.75)	(2.39)	(1.20)
	[0.000]	[0.095]	[0.061]	[0.495]	[0.045]
Observations	2,339	838	460	243	2,339
Margin h	-	20.2	10.1	5.05	-
R-squared	0.51	0.50	0.44	0.41	0.51

Note: I report the estimated effects of local partisan incumbency in the 2019 elections for the European Parliament. The dependent variables are the vote share obtained by the SDs and the turnout rate in panels A and B, respectively. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (2) - (4) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (5), I present results estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample. In all specifications, I 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

While I am unable to completely rule out such alternative explanations given the available data, to further corroborate the interpretation wherein the null turnout result suggests no central favoritism, I extend my investigation - using identical empirical methods - to quantify reverse coattails and turnout effects in the 2019 elections for the European Parliament, which took place after the SDs returned to power. Intuitively, if alignment with the center does facilitate local mobilization, I expect sub-national incumbency to have a stronger effect on turnout in this setting, relative to the impact retrieved in 2016.

Results are presented in Table B3. First, the numbers suggest that local incumbency remained an important determinant of central performance, as seen in panel A. More

importantly, although evidence is weak statistically, in panel B, I find some indication that the control of local offices lead to a modest increase in turnout in the 2019 European ballot, suggesting that alignment with the national government does allow for increased electoral mobilization over and above what is permitted by a constituency's capacity in isolation. Once more, the most important takeaway is the contrast between the findings documented here and the null effect retrieved when quantifying turnout effects in the apolitical regime instead (Section 6.1).

I argue that, when taken together, the two sets of results discussed here further corroborate the assertion wherein the 2016 technocratic government did not engage in co-partisan local favoritism.

Additional Robustness Checks

I conduct a number of conventional robustness checks. I briefly document their results here.

First, in Table B4, I drop two of the non-crucial sample restrictions I make in the main analysis by including constituencies classified as municipalities, as well as units where SD and ALDE mayoral candidates competed against each other.[44] Nothing changes fundamentally.

Second, in Table B5, I 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.

Third, in Table B6, I 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.

Fourth, in Table B7, I redo the fiscal analysis from Section 6.2 using outcome variables measured in levels rather than logs, chiefly to address the fact that a log-analysis for the $GRANTS_i$ variable is unappealing (as discussed in Section 4.1). Reassuringly, I am once again unable to reject the zero effect null hypothesis across the different model alterations.

Fifth, in Table B8, I assess the sensitivity of my estimates to altering the polynomial degree of the running variable $SD\ MARGIN_i$ both locally, as well as globally in panels A and B, respectively. Estimated coefficients suggest that the discontinuous jump cannot be explained by alterations in the way the forcing variable is specified.

Finally, in Table B9, columns (1) and (2), I re-run the RD evaluations fitting a spline third-order polynomial approximation globally. In subsequent columns, I run the same analysis, but restrict the sample space by eliminating all races where the winner obtained more than 90 percent of votes in columns (2) and (3), and more than 80 percent of votes in columns (4) and (5). Overall, results remain in line to those retrieved in the main text.

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[44]I 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.

Table B4: Robustness of the Main Results to Dropping Sample Restrictions

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament					
Panel A - No Covariates					
INC	22.8***	11.0***	9.97***	11.0***	8.92***
	(0.474)	(1.48)	(2.13)	(3.05)	(1.34)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,627	844	449	239	2,627
Margin h	-	17.3	8.65	4.32	-
R-squared	0.46	0.28	0.26	0.20	0.54
Panel B - Covariates Included					
INC	16.4***	11.2***	11.1***	11.8***	9.45***
	(0.516)	(1.36)	(1.95)	(2.82)	(1.24)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,627	844	449	239	2,627
Margin h	-	17.3	8.65	4.32	-
R-squared	0.62	0.44	0.38	0.33	0.65

Note: I replicate the main evaluation from Table 3, after including in the sample constituencies classified as municipalities and localities where SD and ALDE mayoral candidates competed against each other - see Section 4.2 for sample construction details.

Table B5: Reverse Political Coattails under a Technocratic Government (Sensitivity to Covariates)

Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament					
	(1) No Controls	(2) Electoral Controls	(3) Income Controls	(4) Social Controls	(5) All Controls
INC	10.9*** (1.47) [0.000]	10.6*** (1.40) [0.000]	11.5*** (1.39) [0.000]	10.9*** (1.46) [0.000]	11.2*** (1.35) [0.000]
2014 SD VOTE SHARE	-	0.316*** (0.031) [0.000]	-	-	0.287*** (0.031) [0.000]
2014 TURNOUT	-	0.007 (0.027) [0.786]	-	-	0.032 (0.029) [0.268]
2015 (LOG) INCOME PER CAPITA	-	-	-12.6*** (1.47) [0.000]	-	-11.1*** (1.42) [0.000]
2015 (LOG) CENTRAL INCOME PER CAPITA	-	-	4.99** (2.25) [0.027]	-	4.67** (2.13) [0.028]
2015 (LOG) TRANSFERS PER CAPITA	-	-	4.05** (1.75) [0.021]	-	2.82 (1.80) [0.116]
2015 (LOG) GRANTS PER CAPITA	-	-	0.986 (0.947) [0.298]	-	-0.194 (0.921) [0.833]
2015 (LOG) SOCIAL SPENDING PER CAPITA	-	-	-	1.23 (0.954) [0.197]	1.41 (0.966) [0.145]
2015 UNEMPLOYMENT RATE	-	-	-	0.484*** (0.141) [0.001]	0.109 (0.137) [0.423]
Observations	807	807	807	807	807
Margin h	19.4	19.4	19.4	19.4	19.4
R-squared	0.32	0.41	0.38	0.33	0.46

Note: In column (1), I 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. I 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), I include the full set of controls. Robust standard errors are reported in (round brackets); p-values are given in [square brackets]; *p<0.10, **p<0.05, ***p<0.01

Table B6: Main Analysis Replicated Using Information on Senatorial Races

	(1) OLS Estimate	(2) Optimal BW RD Estimate	(3) Half-Optimal BW RD Estimate	(4) Quarter-Optimal BW RD Estimate	(5) Global RD Estimate
Dependent Variable: SD Vote Share in the 2016 Senatorial Elections					
Panel A - No Covariates					
	23.1***	11.0***	11.1***	12.1***	9.75***
INC	(0.490)	(1.45)	(2.03)	(2.98)	(1.41)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	817	447	234	2,339
Margin h	-	19.5	9.78	4.89	-
R-squared	0.48	0.32	0.30	0.24	0.55
Panel B - Covariates Included					
	16.7***	11.4***	11.7***	12.9***	10.2***
INC	(0.545)	(1.35)	(1.85)	(2.68)	(1.31)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	817	447	234	2,339
Margin h	-	19.5	9.78	4.89	-
R-squared	0.63	0.46	0.42	0.36	0.65

Note: I replicate the main analysis in Table 3 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).

Table B7: Lack of Evidence for Central Fiscal Clientelism by the 2016 Technocratic Government (Analysis in Levels)

		Treatment Variable: INC			
(1)	(2)	(3)	(4)	(5)	(6)
Dependent	OLS	Optimal	Number of	Local RD	Global RD
Variable	Estimate	Margin h	Observations	Estimate	Estimate
Panel A - No Covariates					
TOTAL INCOME	73.2 (47.3) [0.122]	16.9	729	92.0 (146) [0.529]	114 (140) [0.415]
CENTRAL INCOME	175*** (38.4) [0.000]	17.0	734	71.2 (125) [0.570]	31.9 (118) [0.787]
TRANSFERS	13.6* (8.10) [0.094]	17.2	737	33.0 (28.4) [0.246]	28.6 (26.3) [0.277]
GRANTS	175*** (34.4) [0.000]	18.1	765	31.4 (111) [0.776]	12.9 (107) [0.904]
Panel B - Covariates Included					
TOTAL INCOME	-7.56 (40.6) [0.852]	16.9	729	48.3 (108) [0.654]	30.2 (106) [0.776]
CENTRAL INCOME	18.1 (35.7) [0.614]	17.0	734	74.7 (99.8) [0.455]	23.2 (97.6) [0.812]
TRANSFERS	7.36 (6.89) [0.286]	17.2	737	31.3 (23.0) [0.174]	18.9 (20.1) [0.348]
GRANTS	25.2 (34.3) [0.463]	18.1	765	38.6 (90.0) [0.668]	36.8 (91.0) [0.686]

Note: I report the estimated effects of local partisan representation on 2016 local revenues. All outcomes are measured in per capita amounts. INC is a dummy variable equal to one (zero) in constituencies where the SD candidate won (lost) the 2016 mayoral race. Column (1) shows the results from a linear model estimated with Ordinary Least Squares. Columns (3) - (5) report RD results estimated using local linear regressions on the restricted sample, where the optimal bandwidth is selected using the CCT algorithm. The specifications also include the running variable SD MARGIN, as well as its interaction with INC. In column (6), I present coefficients estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample (2,339 observations). No control variables are included in the specifications employed in panel A. In panel B, I control for the SD vote share and turnout recorded in the 2014 elections for the European Parliament, as well as 2015 income per capita, central income per capita, transfers per capita, grants per capita, 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<.01

Table B8: Robustness of the Main Results to Altering the Polynomial Degree of the Running Variable

Dependent Variable: SD Vote Share in the 2016 Elections for the National Parliament				
	(1)	(2)	(3)	(4)
	First Order	Second Order	Third Order	Fourth Order
	Polynomial	Polynomial	Polynomial	Polynomial
Panel A - Local Estimates				
	11.2***	12.3***	9.00***	10.1***
INC	(1.35)	(2.03)	(2.69)	(3.31)
	[0.000]	[0.000]	[0.001]	[0.002]
Observations	807	807	807	807
Margin h	19.4	19.4	19.4	19.4
R-squared	0.46	0.46	0.47	0.47
Panel B - Global Estimates				
	10.6***	12.2***	10.1***	11.1***
INC	(0.715)	(1.01)	(1.30)	(1.63)
	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	2,339	2,339	2,339
R-squared	0.65	0.65	0.65	0.65

Note: I check the robustness of the main results to altering the polynomial degree of the forcing variable SD MARGIN, for estimates retrieved on the optimally-restricted sample and the full sample in panels A and B, respectively. 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. I 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

Table B9: Further Restricting the Sample to Check the Robustness of Global Specifications

	Full Sample		Drop >90% Vote Share		Drop >80% Vote Share	
	(1)	(2)	(3)	(4)	(5)	(6)
	Global RD Estimate	Global RD Estimate	Global RD Estimate	Global RD Estimate	Global RD Estimate	Global RD Estimate
	9.69***	10.1***	9.80***	10.2***	9.90***	10.3***
INC	(1.41)	(1.30)	(1.43)	(1.32)	(1.50)	(1.38)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
Observations	2,339	2,339	2,331	2,331	2,269	2,269
Margin h	-	-	90.0	90.0	80.0	80.0
Controls	NO	YES	NO	YES	NO	YES
R-squared	0.54	0.65	0.54	0.64	0.52	0.63

Note: I report the estimated effect of local partisan incumbency on 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. In columns (1) and (2), I present RD results estimated by applying a spline third-order polynomial approximation on both sides of the threshold, using the entire sample. Next, in columns (3) - (4), and (5) - (6), results are derived via the same method after removing from the analysis constituencies where the winner obtained a vote share larger than 90 and 80 percent, respectively. When considered, covariates include 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

Appendix C - Supplementary Figures

Figure C1: Romania's Administrative Divisions

Note: Above, black lines separate counties, while white lines separate constituencies.