September 22, 2021 - cascad#204

Execution Report

Title: **Banks, Political Capital, and Growth**
Authors: **Thomas Lambert, Wolf Wagner, and Eden Quxian Zhang**

Full reference: Lambert, Thomas, Wagner, Wolf, and Zhang, Eden Quxian, "Banks, Political Capital, and Growth", Working Paper, September 7, 2021.

The structure and contents of this execution report provided by **cascad** for the certification are similar to those recommended by the AEA Data Editor.

1. DATA DESCRIPTION

This study is based on several datasets that have been constructed from different data sources, such as the US Census Bureau, the Bureau of Economic Analysis (BEA), the Patent and Trademark Office (PTO), and the Federal Financial Institutions Examination Council (FFIEC).

For a thorough description of the data, please refer to section 3 of the paper.

2. CODE DESCRIPTION

For the purpose of this certification, we aimed to check the results displayed in Figures 1,3,4 and in Tables 1-9. Note that Figure 2 is an image describing the construction of some variables and is not a result per se.

The code is written in Stata. The replication material is divided into one *data* subfolder, which stores all the datasets, and five do-files:
- *o00_setup.do*, which installs all dependencies locally;
- *o11_dataprep_bhc.do*, which prepares the bank-ElectionCycle-year- and loan-ElectionCycle-level datasets for analysis;
- *o12_dataprep_MSA.do*, which prepares the MSA-ElectionCycle-year- and county-ElectionCycle-year-level datasets for analysis;
- *o21_analysis.do*, which generates results for all tables as well as Figures 1 and 3;
- *o22_placebo.do*, which generates Figure 4 based on randomizations.

3. REPLICATION STEPS

The code was downloaded from the cascad website and run as per readme, using Stata (first 16.1, then 17), on a computer with 64GB RAM, intel® Core™ i9-9900K CPU @3.60-5.00GHz, Nvidia Geforce RTX 2060, and Windows 10 OS. We encountered two issues with the code:

- We noticed when running *o12_dataprep_MSA.do*, that the code was stuck at the *codebook* command, in the last section ("2.d Preparing MSA-Election cycle-year level data"). We resolved this issued by commenting this line. Since it does not do any change to the dataset, it did not affect our results.

- We received the following error message when we ran *o21_analysis.do*:

```
. * Figure 3 Panel A, log GDP plot
. xtdidregress (GDP_NonGov_Log  i.year )(treatment ), group(MSA_ElectCycle_id) time(evttime1)
command xtdidregress is unrecognized
r(199);

end of do-file
```

Since this command is only available in version 17 of Stata, we installed and switched to it, and the do-file then worked as intended.

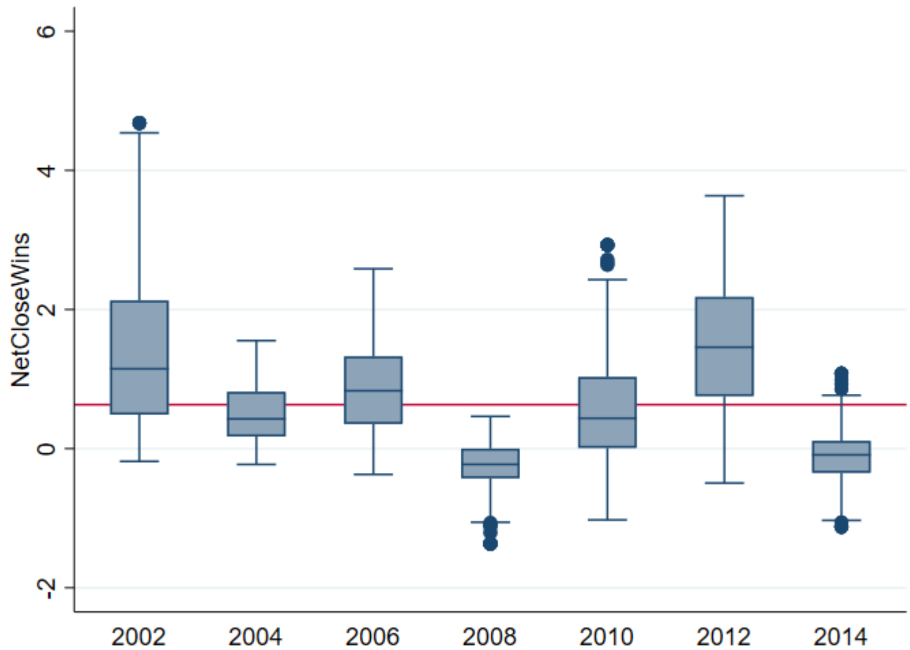
4. FINDINGS

We reproduced every Figures and Tables with perfect accuracy.

4.1. FIGURE 1. DISTRIBUTION OF MSA-LEVEL INDICATOR OF NET CONNECTIONS PER ELECTION CYCLE

Original:

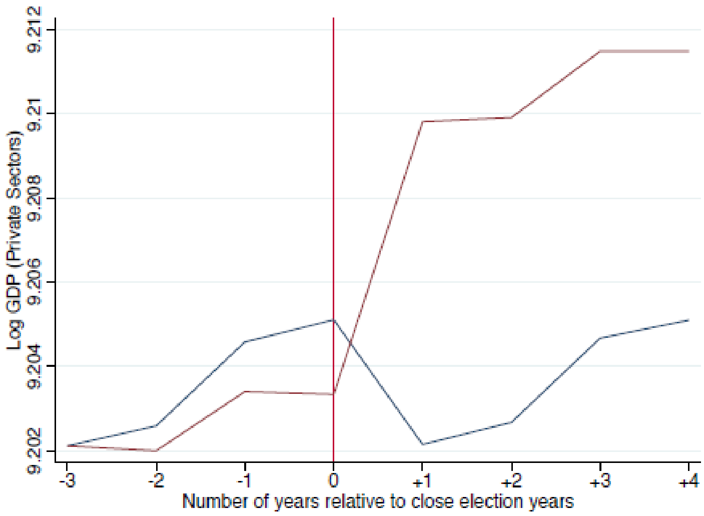
Reproduced:



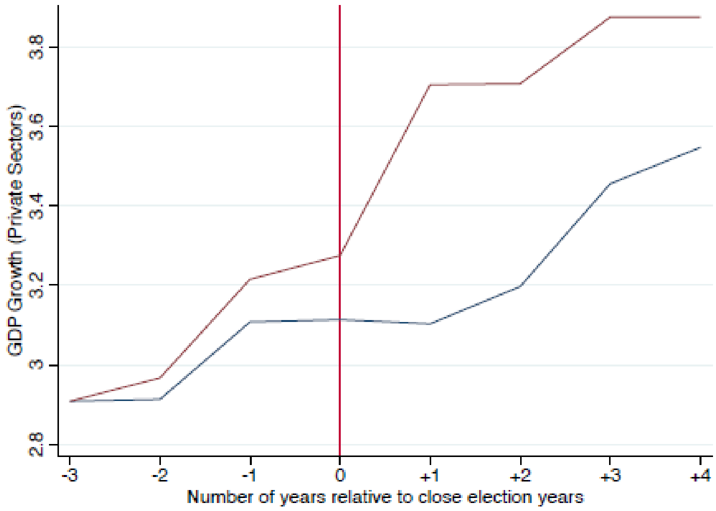
4.2. FIGURE 3. OUTPUT AROUND CLOSE ELECTIONS

Original:

Panel A: MSA GDP

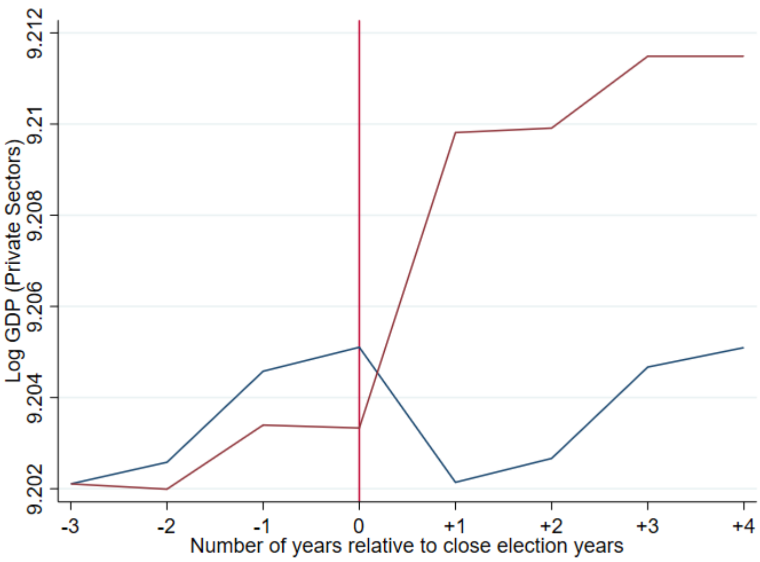


Panel B: MSA GDP Growth

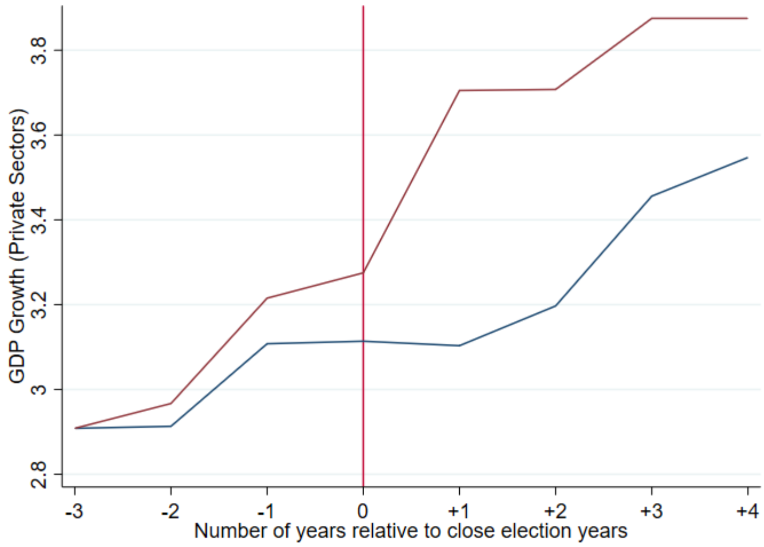


Reproduced:

Panel A: MSA GDP

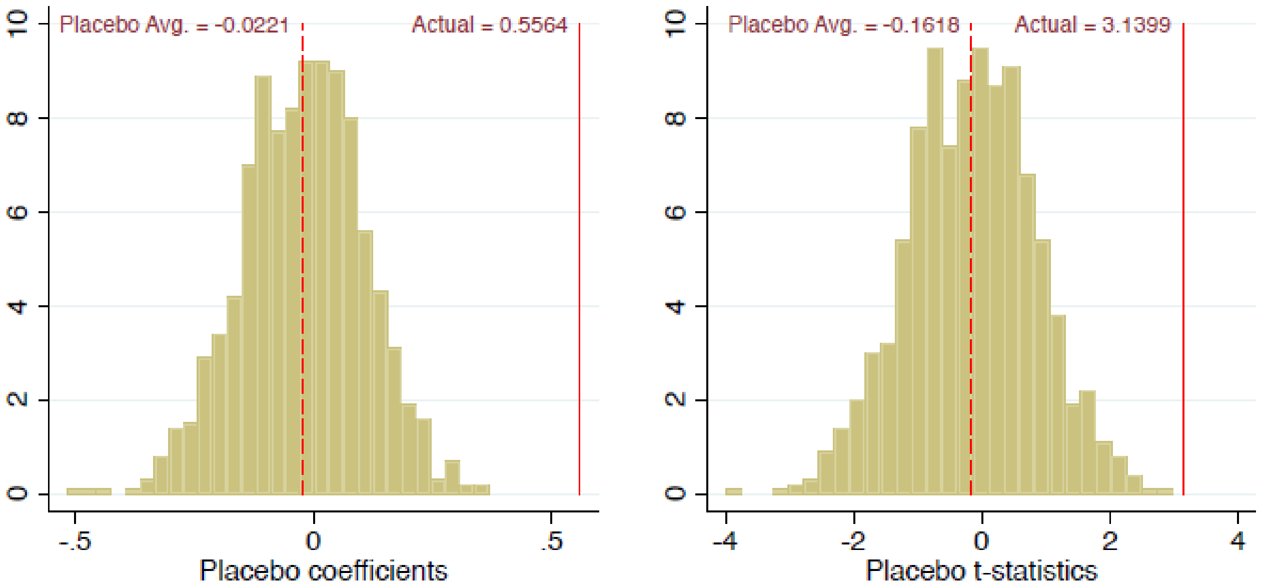


Panel B: MSA GDP Growth

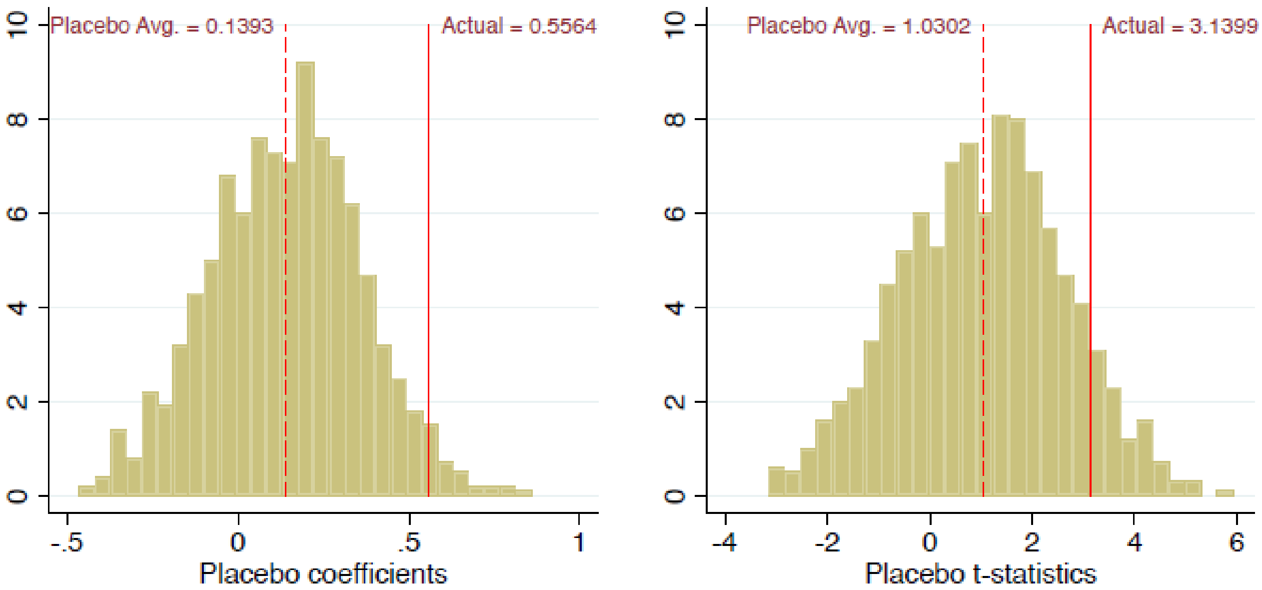


4.3. FIGURE 4. DISTRIBUTION OF ESTIMATED COEFFICIENTS AND T-STATISTICS ACROSS PLACEBO SAMPLES

Original:

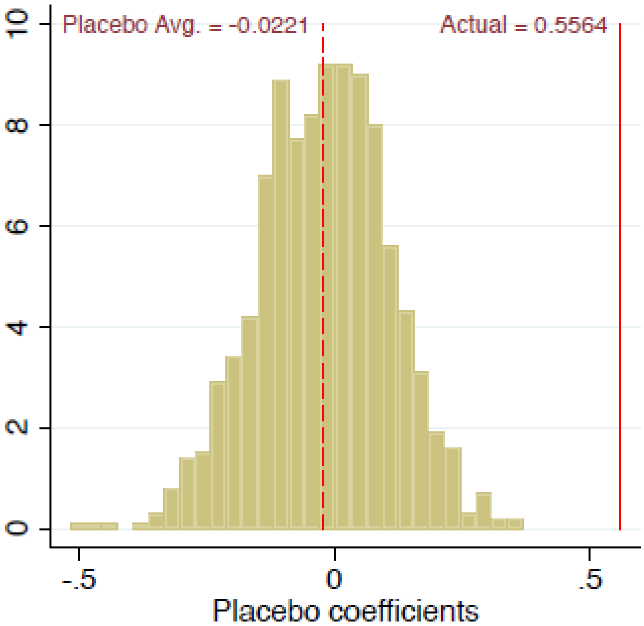


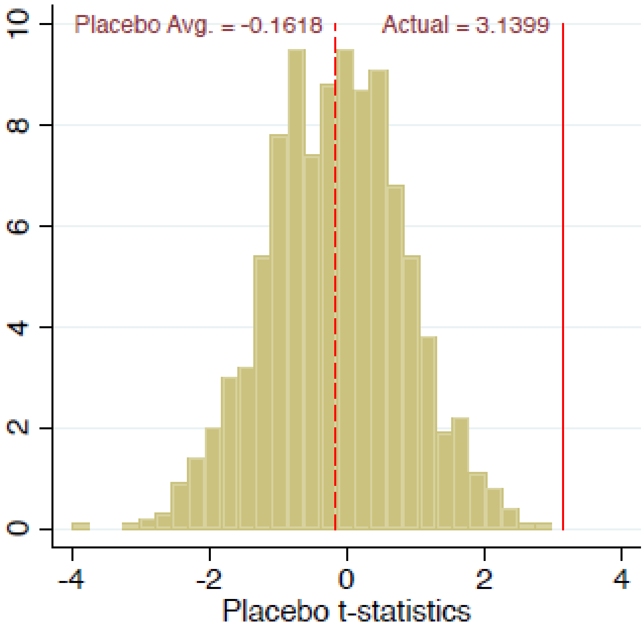
Panel B: Random assignment of $NetCloseWins_{bc}$ to BHCs



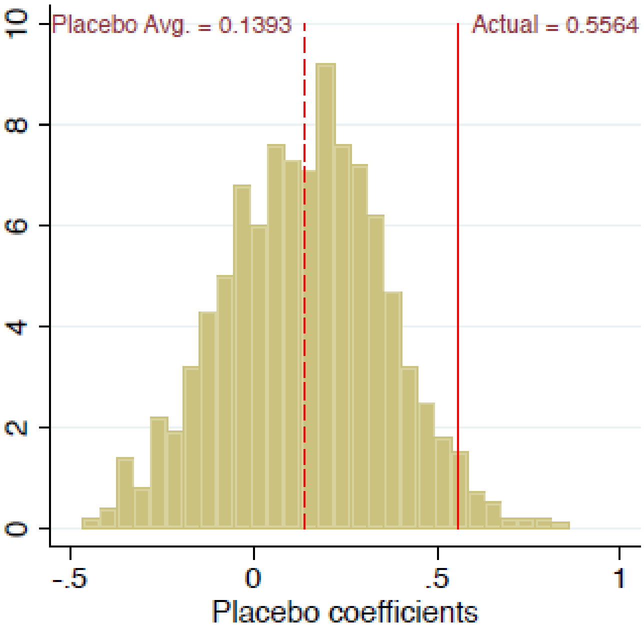
Reproduced:

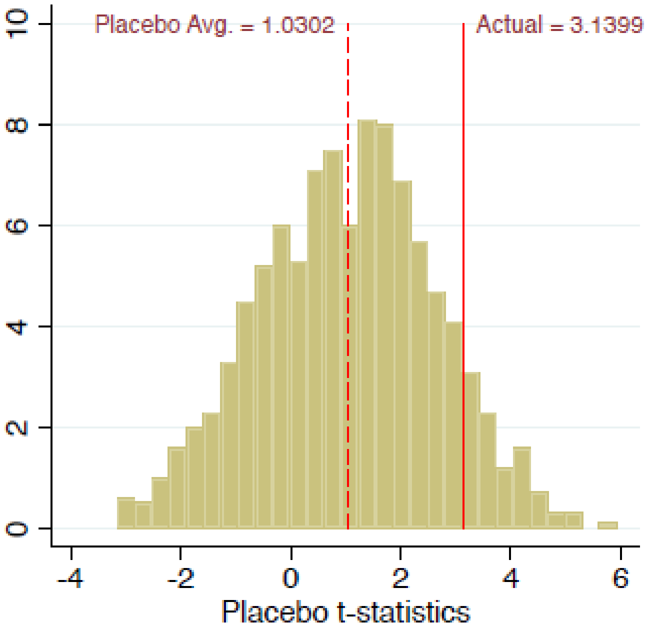
Panel A: Random assignment of *NetCloseWins*$_{cr}$ to MSAs:





Panel B: Random assignment of *NetCloseWins*$_{bc}$ to BHCs





4.4. TABLE 1. STATISTICS FOR THE KEY VARIABLES

Original:

Panel A: Bank-level political variables

	N	Mean	Std	p25	p50	p75
Across election cycles						
NetCloseWins	435	0.754	1.953	0.000	1.000	1.000
CloseWins	435	2.970	3.120	1.000	2.000	4.000
CloseLosses	435	2.209	2.482	0.000	1.000	3.000
By election cycles						
NetCloseWins in 2002	97	1.505	2.006	1.000	1.000	2.000
… 2004	53	1.132	1.569	0.000	1.000	2.000
… 2006	67	0.299	1.596	-1.000	0.000	1.000
… 2008	42	-0.524	1.486	-2.000	0.000	1.000
… 2010	58	0.828	2.129	-1.000	1.000	2.000
… 2012	58	0.983	2.048	0.000	1.000	2.000
… 2014	60	0.317	1.953	-1.000	0.000	1.000

Panel B: Tests of differences between close-election winners and close-election losers

	Winners	Losers	Winners - Losers	*t*-statistic
Size	16.70	16.79	-0.08	(-0.59)
ROA	8.73	10.12	-1.39	(-1.42)
Liquidity	34.70	36.21	-1.50	(-1.45)
NPL	3.55	3.58	-0.03	(-0.22)
Tier1	66.53	80.80	-14.27	(-1.15)

Panel C: Characteristics of sample BHCs

	N	Mean	Std	p25	p50	p75
Number of branches	435	573.699	1140.475	2.000	94.000	535.000
Number of states covered	435	6.389	7.497	1.000	4.000	8.000
Number of MSAs covered	435	47.400	83.899	1.000	12.000	51.000
Deposit share in the HQ state	434	0.666	0.334	0.371	0.725	1.000
Deposit share in the HQ MSA	434	0.523	0.383	0.166	0.414	1.000

Panel D: Characteristics of candidates supported by sample BHCs

	N	Mean	Std	p25	p50	p75
Number of candidates supported	435	56.724	64.862	7.000	30.000	89.000
Number of close election candidates supported	435	5.202	5.362	1.000	3.000	8.000
Number of banking committee members supported	435	17.561	19.856	2.000	9.000	28.000
Number of states covered by supported candidates	435	18.287	16.134	3.000	12.000	34.000
%Candidates in the HQ state	435	0.297	0.303	0.057	0.167	0.500
%Candidates in the states with branches	435	0.516	0.376	0.070	0.584	0.857

Panel E: MSA-level political variables

	N	Mean	Std	p25	p50	p75
Across election cycles						
NetCloseWins	2631	0.632	0.945	-0.013	0.407	1.143
By election cycles						
NetCloseWins in 2002	376	1.390	1.126	0.488	1.147	2.129
… 2004	371	0.515	0.431	0.174	0.428	0.817
… 2006	378	0.869	0.648	0.355	0.831	1.325
… 2008	375	-0.252	0.334	-0.426	-0.227	0.000
… 2010	378	0.540	0.740	0.010	0.436	1.030
… 2012	376	1.479	0.923	0.754	1.457	2.181
… 2014	377	-0.118	0.391	-0.348	-0.090	0.112

Reproduced:

Panel A: Bank-level political variables

	N	Mean	sd	p25	p50	p75
NetCloseWins	435	0.754	1.953	0.000	1.000	1.000
CloseWins	435	2.970	3.120	1.000	2.000	4.000
CloseLosses	435	2.209	2.482	0.000	1.000	3.000
2002	97	1.505	2.006	1.000	1.000	2.000
2004	53	1.132	1.569	0.000	1.000	2.000
2006	67	0.299	1.596	-1.000	0.000	1.000
2008	42	-0.524	1.486	-2.000	0.000	1.000
2010	58	0.828	2.129	-1.000	1.000	2.000
2012	58	0.983	2.048	0.000	1.000	2.000
2014	60	0.317	1.953	-1.000	0.000	1.000

Panel B: Tests of differences between close-election winners and close-election losers

	Winners	Losers	Winners-Losers	t-statistic
Size	16.70	16.79	-0.08	-0.59
ROA	8.73	10.12	-1.39	-1.42
Liquidity	34.70	36.21	-1.50	-1.45
NPL	3.55	3.58	-0.03	-0.22
Tier1	66.53	80.80	-14.27	-1.15

Panel C: Characteristics of sample BHCs

	N	Mean	Std	p25	p50	p75
Number of branches	435	573.699	1140.475	2.000	94.000	535.000
Number of states covered	435	6.389	7.497	1.000	4.000	8.000
Number of MSAs covered	435	47.400	83.899	1.000	12.000	51.000
Deposit share in the HQ state	434	0.666	0.334	0.371	0.725	1.000
Deposit share in the HQ MSA	434	0.523	0.383	0.166	0.414	1.000

Panel D: Characteristics of candidates supported by sample BHCs

	N	Mean	Std	p25	p50	p75
Number of candidates supported	435	56.724	64.862	7.000	30.000	89.000
Number of close election candidates supported	435	5.202	5.362	1.000	3.000	8.000
Number of banking committee members supported	435	17.561	19.856	2.000	9.000	28.000
Number of states covered by supported candidates	435	18.287	16.134	3.000	12.000	34.000
Percentage of candidates in the HQ state	435	0.297	0.303	0.057	0.167	0.500
Percentage of candidates in the states with branches	435	0.516	0.376	0.070	0.584	0.857

Panel E: MSA-level political variables

	N	Mean	Std	p25	p50	p75
NetCloseWins	2631	0.632	0.945	-0.013	0.407	1.143
2002	376	1.390	1.126	0.488	1.147	2.129
2004	371	0.515	0.431	0.174	0.428	0.817
2006	378	0.869	0.648	0.355	0.831	1.325
2008	375	-0.252	0.334	-0.426	-0.227	0.000
2010	378	0.540	0.740	0.010	0.436	1.030
2012	376	1.479	0.923	0.754	1.457	2.181
2014	377	-0.118	0.391	-0.348	-0.090	0.112

4.5. TABLE 2. SUMMARY STATISTICS

Original:

Panel A: MSA-level variables

	N	Mean	Std	p25	p50	p75
Economic activity						
GDP Growth	9401	3.851	4.261	-8.360	1.487	3.782
GDP Growth (Private Sectors)	9401	3.871	4.892	-10.258	1.222	3.780
Per Capita GDP Growth (Private Sectors)	9401	2.917	4.699	-10.885	0.390	2.981
Establishment Entry Rate	9770	9.937	2.222	6.027	8.320	9.613
Establishment Exit Rate	9770	9.218	1.586	6.122	8.139	9.061
Job Creation Rate	9769	13.480	2.823	8.023	11.442	13.161
Job Creation Rate by Births	9772	4.595	1.558	1.902	3.485	4.380
Job Creation Rate by Continuers	9769	8.868	1.732	5.295	7.651	8.733
Job Destruction Rate	9764	12.956	2.787	7.737	10.955	12.667
Job Destruction Rate by Deaths	9765	4.022	1.292	1.756	3.122	3.859
Job Destruction Rate by Continuers	9760	8.911	1.932	5.363	7.514	8.664
Reallocation Rate	9762	23.875	4.397	14.976	20.728	23.551
Wage Growth	9772	2.847	1.715	-1.685	1.776	2.847
Patent Growth	9245	8.253	41.991	-66.667	-15.385	0.000
Population Growth	9772	0.933	1.007	-1.001	0.230	0.796
Total Deposits	9772	15.256	1.282	13.323	14.328	14.928
Number of Branches	9772	4.502	1.014	2.773	3.784	4.263
Corporate lending (CRA)						
Loan Growth	8642	-1.171	20.304	-66.462	-9.841	1.432
Loan Value	8642	402.450	540.007	28.824	105.216	193.577
Political connections						
NetCloseWins	9772	0.572	0.893	-1.024	-0.034	0.359
CloseWins	9772	2.522	1.717	0.020	1.181	2.213
CloseLosses	9772	1.943	1.285	0.000	0.930	1.752
Banking Cmte CloseWins	9772	1.085	0.739	0.000	0.491	0.969
Non-Banking Cmte NetCloseWins	9772	-0.510	0.634	-2.236	-0.901	-0.454

Panel B: Bank- and loan-level variables

	N	Mean	Std	p25	p50	p75
Corporate lending (Dealscan)						
Number of Loans	1013	99.810	226.620	0.000	0.000	5.000
Facility Amount	1013	34.514	101.919	0.000	0.000	0.360
Size	1013	17.962	1.789	11.693	16.778	18.011
ROA	1013	3.484	3.777	-11.893	2.104	3.852
Liquidity	1013	27.586	15.200	3.509	17.731	23.366
NPL	1013	2.934	2.841	0.000	1.101	1.881
Tier1	1013	10.526	4.564	1.462	8.199	9.664
Interest rate spread	71730	250.336	146.200	20.000	150.000	225.000
Junk Borrower	14478	0.547	0.498	0.000	0.000	1.000
Political connections						
NetCloseWins	1013	0.731	1.980	-4.000	-1.000	1.000
Borrower NetCloseWins	4034	0.516	2.263	-4.000	-1.000	0.000

Reproduced:

Panel A: MSA-level variables

	N	Mean	std	p25	p50	p75
GDP Growth	9401	3.851	4.261	-8.360	1.487	3.782
GDP Growth (Private sectors)	9401	3.871	4.892	-10.258	1.222	3.780
Per Capita GDP Growth (Private sectors)	9401	2.917	4.699	-10.885	0.390	2.981
Establishment Entry Rate	9770	9.937	2.222	6.027	8.320	9.613
Establishment Exit Rate	9770	9.218	1.586	6.122	8.139	9.061
Job Creation Rate	9769	13.480	2.823	8.023	11.442	13.161
Job Creation Rate by Births	9772	4.595	1.558	1.902	3.485	4.380
Job Creation Rate by Continuers	9760	8.911	1.932	5.363	7.514	8.664
Job Destruction Rate	9764	12.956	2.787	7.737	10.955	12.667
Job Destruction Rate by Deaths	9765	4.022	1.292	1.756	3.122	3.859
Job Destruction Rate by Continuers	9760	8.911	1.932	5.363	7.514	8.664
Reallocation Rate	9762	23.875	4.397	14.976	20.728	23.551
Wage Growth	9772	0.933	1.715	-1.685	1.776	2.847
Patent Growth	9245	8.253	41.991	-66.667	-15.385	0.000
Population Growth	9772	0.933	1.007	-1.001	0.230	0.796
Total Deposits	9772	15.256	1.282	13.323	14.328	14.928
Number of Branches	9772	4.502	1.014	2.773	3.784	4.263
Loan Growth	8642	402.450	540.007	28.824	105.216	193.577
NetClose Wins	9772	0.572	0.893	-1.024	-0.034	0.359
CloseWins	9772	2.552	1.717	0.020	1.181	2.213
CloseLosses	9772	1.943	1.285	0.000	0.930	1.752
Banking Cmte CloseWins	9772	1.085	0.739	0.000	0.491	0.969
Non-Banking Cmte NetCloseWins	9772	-0.510	0.634	-2.236	-0.901	-0.454

Panel B: Bank- and loan-level variables

	N	Mean	std	p25	p50	p75
Number of Loans	1013	99.810	226.620	0.000	0.000	5.000
Facility Amount	1013	34.514	101.919	0.000	0.000	0.360
Size	1013	17.962	1.789	11.693	16.778	18.011
ROA	1013	3.484	3.777	-11.893	2.104	3.852
Liquidity	1013	27.586	15.200	3.509	17.731	23.366
NPL	1013	2.934	2.841	0.000	1.101	1.881
Tier1	1013	10.526	4.564	1.462	8.199	9.644
Interest Rate Spread	71730	250.336	146.200	20.000	150.000	225.000
Junk Borrower	14478	0.547	0.498	0.000	0.000	1.000
NetCloseWins	1013	0.731	1.980	-4.000	-1.000	1.000
Borrower NetCloseWins	4034	0.516	2.263	-4.000	-1.000	0.000

4.6. TABLE 3. OUTPUT GROWTH

Original:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		GDP Growth				*GDP Growth (Private Sectors)*		
NetCloseWins × *Election*	0.5624***	0.5785***			0.5279***	0.5564***		
	(3.6608)	(3.7945)			(3.0084)	(3.1399)		
CloseWins × *Election*			0.5082***				0.4743**	
			(3.1594)				(2.5288)	
CloseLosses × *Election*			-0.4953**				-0.4577**	
			(-2.5007)				(-1.9805)	
Banking Cmte CloseWins × *Election*				0.6131***				0.6101***
				(4.0753)				(3.5029)
Non-Banking Cmte NetCloseWins × *Election*				0.5526***				0.4963**
				(2.7317)				(2.1121)
Population Growth		1.1035***	1.1061***	1.1027***		1.1575***	1.1604***	1.1568***
		(7.6455)	(7.6551)	(7.6364)		(7.1350)	(7.1440)	(7.1256)
Total Deposits		-1.6376***	-1.6102***	-1.6664***		-2.0815***	-2.0542***	-2.1211***
		(-3.0434)	(-2.9553)	(-3.0574)		(-3.3184)	(-3.2334)	(-3.3410)
Number of Branches		-0.6164	-0.6311	-0.6108		-0.1993	-0.2133	-0.1968
		(-0.6899)	(-0.7065)	(-0.6830)		(-0.1918)	(-0.2051)	(-0.1892)
Adj. R-squared	0.243	0.268	0.268	0.268	0.212	0.233	0.233	0.233
N	9401	9401	9401	9401	9401	9401	9401	9401
MSA × Election Cycle FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Reproduced:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
0.5624***	0.5785***			0.5279***	0.5564***		
(3.6608)	(3.7945)			(3.0084)	(3.1399)		
		0.5082***				0.4743**	
		(3.1594)				(2.5288)	
		-0.4953**				-0.4577**	
		(-2.5007)				(-1.9805)	
			0.6131***				0.6101***
			(4.0753)				(3.5029)
			0.5526***				0.4963**
			(2.7317)				(2.1121)
	1.1035***	1.1061***	1.1027***		1.1575***	1.1604***	1.1568***
	(7.6455)	(7.6551)	(7.6364)		(7.1350)	(7.1440)	(7.1256)
	-1.6376***	-1.6102***	-1.6664***		-2.0815***	-2.0542***	-2.1211***
	(-3.0434)	(-2.9553)	(-3.0574)		(-3.3184)	(-3.2334)	(-3.3410)
	-0.6164***	-0.6311***	-0.6108***		-0.1993***	-0.2133***	-0.1968***
	(-0.6899)	(-0.7065)	(-0.6830)		(-0.1918)	(-0.2051)	(-0.1892)
0.243	0.268	0.268	0.268	0.212	0.233	0.233	0.233
9401	9401	9401	9401	9401	9401	9401	9401

4.7. TABLE 4. OUTPUT GROWTH DYNAMICS

Original:

	GDP Growth (Private Sectors)
NetCloseWins × Election (t-2)	-0.0896
	(-1.1429)
NetCloseWins × Election (t+1)	0.2715***
	(3.5708)
NetCloseWins × Election (t+2)	0.0600
	(0.7629)
NetCloseWins × Election (t+3)	0.1036
	(1.0533)
NetCloseWins × Election (t≥+4)	-0.0248
	(-0.2989)
Election (t-2)	0.0284
	(0.7074)
Election (t+1)	-0.1734***
	(-3.8268)
Election (t+2)	-0.0421
	(-0.9427)
Election (t+3)	-0.0856
	(-1.3157)
Election (t≥+4)	0.0017
	(0.0399)
Population Growth	1.2987***
	(9.6539)
Total Deposits	-1.3615***
	(-2.6851)
Number of Branches	-1.7230*
	(-1.9557)
Adj. R-squared	0.210
N	30826
MSA × Election Cycle FE	Yes
Year FE	Yes

Reproduced:

	GDP Growth (Private sectors)
NetCloseWins x Election (t-2)	-0.0896
	(-1.1429)
NetCloseWins x Election (t+1)	0.2715***
	(3.5708)
NetCloseWins x Election (t+2)	0.0600
	(0.7629)
NetCloseWins x Election (t+3)	0.1036
	(1.0533)
NetCloseWins x Election (t¿=4)	-0.0248
	(-0.2989)
Election (t-2)	0.0284
	(0.7074)
Election (t+1)	-0.1734***
	(-3.8268)
Election (t+2)	-0.0421
	(-0.9427)
Election (t+3)	-0.0856
	(-1.3157)
Election (t¿=4)	0.0017
	(0.0399)
Population Growth	1.2987***
	(9.6539)
Total Deposits	-1.3615***
	(-2.6851)
Number of Branches	-1.7230*
	(-1.9557)
Adj. R-squared	0.210
N	30826

4.8. TABLE 5. ROBUSTNESS TESTS

Original:

	(1)	(2)	(3)	(4)	(5)	(6)
	GDP Growth (Private Sectors)					*Per Capita GDP Growth (Private Sectors)*
NetCloseWins × Election	0.7533***	0.4413***	0.7988*	0.4851***	0.3388***	0.5597***
	(3.6613)	(2.7891)	(1.9062)	(4.5407)	(3.4565)	(3.1779)
Election					-0.2507***	
					(-3.2845)	
Population Growth	1.2088***	1.1591***	1.2337***	0.6690***	1.0396***	0.0509
	(6.4754)	(7.1415)	(7.9187)	(8.3530)	(6.5516)	(0.2898)
Total Deposits	-1.9830***	-2.0062***	-1.9971***	-4.1878***	-1.8517***	-2.1262***
	(-3.0303)	(-3.2490)	(-3.1925)	(-7.9080)	(-3.0205)	(-3.3893)
Number of Branches	0.9456	-0.2466	-0.2273	0.6822	0.9338	-0.1669
	(0.7970)	(-0.2358)	(-0.2114)	(1.0311)	(0.8895)	(-0.1615)
Description	Exclude 2008-2010 election cycles	Non-local MSA *NetCloseWins*	Only election outcomes ≤ 1% margins	County-level specification	Include electoral cycle *c=0*	Specification as in column 6 of Table 3
Adj. R-squared	0.230	0.234	0.235	0.134	0.252	0.184
N	6389	9356	9055	50615	14287	9401
MSA × Election Cycle FE	Yes	Yes	Yes	-	Yes	Yes
County × Election Cycle FE	-	-	-	Yes	-	-
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Reproduced:

	(1)	(2)	(3)	(4)	(5)	(6)
NetCloseWins x Election	0.7533***	0.4413***	0.7988*	0.4851***	0.3388***	0.5597***
	(3.6613)	(2.7891)	(1.9062)	(4.5407)	(3.4565)	(3.1779)
Election					-0.2507	
					(-3.2845)	
Population Growth	1.2088***	1.1591***	1.2337***	0.6690***	1.0396***	0.0509
	(6.4754)	(7.1415)	(7.9187)	(8.3530)	(6.5516)	(0.2898)
Total Deposits	-1.9830***	-2.0062***	-1.9971***	-4.1878***	-1.8517***	-2.1262***
	(-3.0303)	(-3.2490)	(-3.1925)	(-7.9080)	(-3.0205)	(-3.3893)
Number of Branches	0.9456	-0.2466	-0.2273	0.6822	0.9338	-0.1669
	(0.7970)	(-0.2358)	(-0.2114)	(1.0311)	(0.8955)	(-0.1615)
Adj. R-squared	0.230	0.234	0.235	0.134	0.252	0.184
N	6389	9356	9055	50615	14287	9401

4.9. TABLE 6. ALLOCATIVE EFFICIENCY AND PRODUCTIVITY

Original:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Establishment Entry Rate	*Establishment Exit Rate*	*Job Creation Rate*	*Job Creation Rate by Births*	*Job Creation Rate by Continuers*	*Job Destruction Rate*	*Job Destruction Rate by Deaths*	*Job Destruction Rate by Continuers*	*Reallocation Rate*	*Wage Growth*	*Patent Growth*
NetCloseWins × Election	0.0515**	-0.1598***	0.0632	-0.0040	0.0738*	-0.2105***	-0.1075***	-0.1076**	-0.1318	0.0749	0.7211
	(2.0244)	(-5.5582)	(1.2075)	(-0.1334)	(1.7803)	(-3.1132)	(-3.3424)	(-2.0086)	(-1.5127)	(1.3595)	(0.6329)
Population Growth	0.2828***	-0.3992***	0.6003***	0.1184***	0.4539***	-0.5455***	-0.1856***	-0.3605***	-0.0596	0.1666***	1.6713
	(10.1860)	(-10.9490)	(9.1577)	(3.8721)	(9.9075)	(-9.8250)	(-6.7488)	(-8.5977)	(-0.8151)	(3.4434)	(1.2171)
Total Deposits	0.4432***	0.0336	-0.1607	0.0290	-0.2201*	0.1390	-0.0791	0.1845	-0.1116	-0.3855*	-0.1095
	(3.8312)	(0.3556)	(-0.8581)	(0.2427)	(-1.7621)	(0.6132)	(-0.9844)	(1.0374)	(-0.3088)	(-1.8788)	(-0.0287)
Number of Branches	-0.6320***	0.2543	-0.7549*	-0.3661	-0.4472	-0.1198	0.0127	-0.0454	-0.1054	-0.2165	-5.9842
	(-3.0994)	(1.4323)	(-1.8249)	(-1.5426)	(-1.6173)	(-0.2958)	(0.0595)	(-0.1441)	(-0.1728)	(-0.6844)	(-0.6959)
Adj. R-squared	0.908	0.811	0.706	0.629	0.563	0.659	0.511	0.571	0.714	0.385	-0.053
N	9770	9770	9769	9772	9769	9764	9765	9760	9762	9772	9245
MSA × Election Cycle FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Reproduced:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NetCloseWins x Election	0.0515**	-0.1598***	0.0632	-0.0040	0.0738*	-0.2105***	-0.1075***	-0.1076**	-0.1318	0.0749	0.7211
	(2.0244)	(-5.5582)	(1.2075)	(-0.1334)	(1.7803)	(-3.1132)	(-3.3424)	(-2.0086)	(-1.5127)	(1.3595)	(0.6329)
Population Growth	0.2828***	-0.3992***	0.6003***	0.1184***	0.4539***	-0.5455***	-0.1856***	-0.3605**	-0.0596	0.1666***	1.6713
	(10.1860)	(-10.9490)	(9.1577)	(3.8721)	(9.9075)	(-9.8250)	(-6.7488)	(-8.5977)	(-0.8151)	(3.4434)	(1.2171)
Total Deposits	0.4432***	0.0336	-0.1607	-0.0290	-0.2201*	0.1390	-0.0791	0.1845	-0.1116	-0.3855*	-0.1095
	(3.8312)	(0.3556)	(-0.8581)	(0.2427)	(-1.7621)	(0.6132)	(-0.9844)	(1.0374)	(-0.3088)	(-1.8788)	(-0.0287)
Number of Branches	-0.6320***	0.2543	-0.7549*	-0.3661	-0.4472	-0.1198	0.0127	-0.0454	-0.1054	-0.2165	-5.9842
	(-3.0994)	(1.4323)	(-1.8249)	(-1.5426)	(-1.6173)	(-0.2958)	(0.0595)	(-0.1441)	(-0.1728)	(-0.6844)	(-0.6959)
Adj. R-squared	0.908	0.811	0.706	0.629	0.563	0.659	0.511	0.571	0.714	0.385	-0.053
N	9770	9770	9769	9772	9769	9764	9765	9760	9762	9772	9245

4.10. TABLE 7. LOAN ISSUANCE – CRA DATA

Original:

	(1)	(2)
	Loan Growth	*Loan Value*
NetCloseWins × Election	1.1579**	6.3078*
	(2.1413)	(1.6616)
Population Growth	1.2003**	2.2034
	(2.5835)	(0.5045)
Total Deposits	-0.1671	27.4629*
	(-0.1020)	(1.7534)
Number of Branches	-10.1348***	10.5155
	(-2.8451)	(0.3956)
Adj. R-squared	0.447	0.968
N	8567	8567
MSA × Election Cycle FE	Yes	Yes
Year FE	Yes	Yes

Reproduced:

	(1)	(2)
NetCloseWins x Election	1.1579**	6.3078*
	(2.1413)	(1.6616)
Population Growth	1.2003**	2.2034
	(2.5835)	(0.5045)
Total Deposits	-0.1671	27.4629*
	(-0.1020)	(1.7534)
Number of Branches	-10.1348***	10.5155
	(-2.8451)	(0.3956)
Adj. R-squared	0.447	0.968
N	8567	8567

4.11. TABLE 8. LOAN ISSUANCE – DEALSCAN DATA

Original:

	(1) *Number of Loans*	(2) *Facility Amount*
NetCloseWins × *Election*	10.1135**	4.9771**
	(2.2798)	(2.0878)
Size	0.2539	0.1069
	(0.0289)	(0.0281)
ROA	-1.1730	-0.6641
	(-0.7220)	(-0.8876)
Liquidity	0.6701*	0.4958*
	(1.6916)	(1.7768)
NPL	1.3307	0.7363
	(0.6200)	(0.4988)
Tier1	1.7197	1.1776*
	(1.3368)	(1.7915)
Adj. R-squared	0.915	0.889
N	1013	1013
BHC × Election Cycle FE	Yes	Yes
Year FE	Yes	Yes

Reproduced:

	(1)	(2)
NetCloseWins x Election	10.1135**	4.9771**
	(2.2798)	(2.0878)
Size	0.2539	0.1069
	(0.0289)	(0.0281)
ROA	-1.1730	-0.6641
	(-0.7220)	(-0.8876)
Liquidity	0.6701*	0.4958*
	(1.6916)	(1.7768)
NPL	1.3307	0.7363
	(0.6200)	(0.4988)
Tier1	1.7397	1.1776*
	(1.3368)	(1.7915)
Adj. R-squared	0.915	0.889
N	1013	1013

4.12. TABLE 9. LOAN PRICING

Original:

	(1)	(2)	(3)	(4)
	Interest rate spread			
NetCloseWins × Election	-7.9756**	-5.7144**	-4.1664*	-6.2836**
	(-2.1193)	(-2.1256)	(-1.8225)	(-2.4088)
Elections	23.3604***	21.1713***	20.8317***	20.9204***
	(5.6412)	(3.1209)	(6.7848)	(4.4222)
Borrower NetCloseWins		0.1031		
		(0.2115)		
Borrower NetCloseWins × Election		0.0654		
		(0.1755)		
Junk Borrower			68.6139***	
			(12.8728)	
Junk Borrower × Election			-3.9532	
			(-0.7135)	
NetCloseWins × Junk Borrower			3.3931***	
			(2.9731)	
NetCloseWins × Junk Borrower × Election			-4.5554**	
			(-2.1811)	
Small Borrower				5.5486
				(1.4150)
Small Borrower × Election				-1.3120
				(-0.4297)
NetCloseWins × Small Borrower				2.6216**
				(2.5023)
NetCloseWins × Small Borrower × Election				-2.1474**
				(-2.1869)
Description	Baseline	Borrower net connections	Borrower risk	Borrower size
Adj. R-squared	0.372	0.492	0.485	0.390
N	71706	4011	14466	30293
Loan-level control variables	Yes	Yes	Yes	Yes
BHC × Election Cycle FE	Yes	Yes	Yes	Yes

Reproduced:

	(1)	(2)	(3)	(4)
NetCloseWins x Election	-7.9756**	-5.7144**	-4.1664*	-6.2836**
	(-2.1193)	(-2.1256)	(-1.8225)	(-2.4088)
Elections	23.3604***	21.1713***	20.8317***	20.9204***
	(5.6412)	(3.1209)	(6.7848)	(4.4222)
Borrower NetCloseWins		0.1031		
		(0.2115)		
Borrower NetCloseWins x Election		0.0654		
		(0.1755)		
Junk Borrower			68.6139***	
			(12;8728)	
Junk Borrower x Election			-3.9532	
			(-2.1811)	
NetCloseWins × Junk Borrower			3.3931***	
			(2.9731)	
NetCloseWins × Junk Borrower x Election			-4.5554**	
			(-2.1811)	
Small Borrower				5.5486
				(1.4150)
Small Borrower x Election				-1.3120
				(-0.4297)
NetCloseWins × Small Borrower				2.6216**
				(2.5023)
NetCloseWins × Small Borrower x Election				-2.1474**
				(-2.1869)
Adj. R-squared	0.372	0.492	0.485	0.390
N	71706	4011	14466	30293