

Campaign Contributions: Strategic Allocation?

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Table 1: Descriptive Statistics

| Year | Party | Total ^a | Mean ^a | SD ^a | $\hat{\rho}$ | t_{ADF}^a |
|-----------|--------------|--------------------|-------------------|-----------------|--------------|-------------|
| 1980 | Democrats | 1,083.62 | 10.32 | 2.967 | 0.762** | -2.94 |
| | Republicans | 1,139.02 | 10.85 | 3.244 | 1.078 | 0.89 |
| 1984 | Democrats | 1,213.57 | 11.56 | 0.949 | 0.849 | -1.44 |
| | Republicans | 675.67 | 6.44 | 5.512 | 0.951 | -1.56 |
| 1988 | Democrats | 1,254.17 | 11.944 | 1.733 | 0.878 | -1.28 |
| | Republicans | 1281.21 | 12.202 | 1.426 | 1.025 | 0.51 |
| 1992 | Democrats | 1,104.95 | 10.523 | 3.640 | 0.851*** | -3.71 |
| | Republicans | 796.38 | 7.585 | 5.969 | 0.958 | -1.57 |
| | Independents | 754.84 | 7.189 | 4.228 | 0.876 | -1.64 |
| 1996 | Democrats | 1,035.25 | 9.859 | 4.046 | 0.879 | -2.20 |
| | Republicans | 1,287.09 | 12.258 | 1.500 | 1.005 | 0.09 |
| | Independents | 156.337 | 1.489 | 3.335 | 0.936 | -1.79 |
| 2000 | Democrats | 1,090.15 | 10.382 | 5.001 | 1.003 | 0.12 |
| | Republicans | 1,294.87 | 12.332 | 3.038 | >1.000 | 0.00 |
| | Independents | 313.674 | 2.987 | 4.266 | 0.867 | -1.85 |
| 1980-2000 | Democrats | 6,781.70 | 10.765 | 3.423 | 0.910*** | -4.27 |
| | Republicans | 6,474.24 | 10.277 | 4.538 | 0.960** | -2.95 |
| 1992-2000 | Independents | 1,224.85 | 3.888 | 4.634 | 0.924 | -2.53 |

Notes:

a. Total is in xxx of dollars, Mean and *SD* are in natural logs.

b. *ADF* - *t* critical values are -3.43, -2.86, and -2.57 at the 1%(***), 5% (**)
and 10% (*) level respectively.

Table 2: Cointegration Test

| Election | Trace Statistic: τ | | | Max Eigenvalue Statistic: λ | | |
|----------|-------------------------|------------|--------------|-------------------------------------|------------|--------------|
| | $r = 0$ | $r \leq 1$ | $r \leq 2^a$ | $r = 0$ | $r \leq 1$ | $r \leq 2^a$ |
| 1980 | 42.942*** | 4.596** | — | 38.345*** | 4.596** | — |
| 1984 | 46.708*** | 14.230*** | — | 32.477*** | 14.230 | — |
| 1988 | 33.030*** | 11.504*** | — | 21.526*** | 11.504*** | — |
| 1992 | 52.098*** | 27.956*** | 12.088*** | 24.14** | 15.868** | 12.088*** |
| 1996 | 37.008*** | 20.193*** | 6.872*** | 16.815 | 13.321 | 6.872*** |
| 2000 | 46.972*** | 22.227*** | 8.471*** | 24.744** | 13.756* | 8.471*** |

Notes *, ** and *** represent rejection of the null of no cointegration at the 10%, 5% and 1% levels respectively

a. The maximum number of cointegrating vectors differs in each of the election cycles, at most one for the 1980-88 elections and at most two for the remaining three.

Table 3: 1980 Election

| A. Granger-Causality ^a | | | |
|---|-------------|-----------|-------------|
| | | Democrats | Republicans |
| | Democrats | – | 0.002 |
| | Republicans | > 0.000 | – |
| Period | S.E. | Democrats | Republicans |
| B1. Variance Decomposition of Democrats | | | |
| 1 | 1.759 | 100.00 | 0.00 |
| 4 | 2.094 | 75.40 | 24.60 |
| 8 | 2.672 | 65.57 | 34.43 |
| 16 | 3.174 | 68.86 | 31.14 |
| 20 | 3.346 | 70.04 | 29.96 |
| B2. Variance Decomposition of Republicans | | | |
| 1 | 1.81 | 19.13 | 80.87 |
| 4 | 2.28 | 27.61 | 72.39 |
| 8 | 2.54 | 25.44 | 74.56 |
| 16 | 2.84 | 24.18 | 75.82 |
| 20 | 2.95 | 23.96 | 76.04 |

Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

Table 4: 1984 Election

| A. Granger-Causality ^a | | | |
|---|------|-----------|-------------|
| | | Democrats | Republicans |
| Democrats | | – | 0.309 |
| Republicans | | 0.039 | – |
| B1. Variance Decomposition of Democrats | | | |
| Period | S.E. | Democrats | Republicans |
| 1 | 0.73 | 100.00 | 0.00 |
| 4 | 0.85 | 98.00 | 2.00 |
| 8 | 0.90 | 92.81 | 7.19 |
| 16 | 0.91 | 91.24 | 8.76 |
| 20 | 0.91 | 90.83 | 9.17 |
| B2. Variance Decomposition of Republicans | | | |
| 1 | 1.87 | 2.53 | 97.47 |
| 4 | 1.93 | 3.31 | 96.69 |
| 8 | 2.25 | 5.20 | 94.80 |
| 16 | 2.65 | 4.42 | 95.58 |
| 20 | 2.81 | 4.07 | 95.93 |

Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

Table 5: 1988 Election

| A. Granger-Causality ^a | | | |
|---|------|-----------|-------------|
| | | Democrats | Republicans |
| Democrats | | – | 0.014 |
| Republicans | | 0.011 | – |
| B1. Variance Decomposition of Democrats | | | |
| Period | S.E. | Democrats | Republicans |
| 1 | 0.57 | 97.63 | 2.37 |
| 4 | 0.63 | 88.51 | 11.49 |
| 8 | 0.71 | 84.39 | 15.61 |
| 16 | 0.78 | 82.33 | 17.67 |
| 20 | 0.81 | 81.56 | 18.44 |
| B2. Variance Decomposition of Republicans | | | |
| 1 | 1.22 | 100.00 | 0.00 |
| 4 | 1.56 | 89.11 | 10.89 |
| 8 | 1.61 | 81.62 | 18.38 |
| 16 | 1.65 | 79.18 | 20.82 |
| 20 | 1.66 | 78.44 | 21.56 |

Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

Table 6: 1992 Election

| A. Granger-Causality ^a | | | | |
|--|---------|-----------|--------------------------|--------------|
| | | Democrats | Independent ^b | Republicans |
| Democrats | | – | 0.939 | 0.480 |
| Independents | > 0.000 | | – | 0.299 |
| Republicans | | 0.951 | 0.778 | – |
| Joint | | 0.817 | 0.001 | 0.929 |
| B1. Variance Decomposition of Democrats | | | | |
| Period | S.E. | Democrats | Republicans | Independents |
| 1 | 1.43 | 99.00 | 0.00 | 0.00 |
| 4 | 1.52 | 98.41 | 1.09 | 0.50 |
| 8 | 1.78 | 95.77 | 1.58 | 2.66 |
| 16 | 2.14 | 96.68 | 1.20 | 2.12 |
| 20 | 2.29 | 97.01 | 1.05 | 1.95 |
| B3. Variance Decomposition of Republicans | | | | |
| Period | S.E. | Democrats | Republicans | Independents |
| 1 | 1.75 | 0.00 | 0.00 | 100.00 |
| 4 | 1.87 | 1.22 | 1.99 | 96.79 |
| 8 | 2.14 | 1.28 | 2.08 | 96.64 |
| 16 | 2.57 | 1.19 | 2.39 | 96.41 |
| 20 | 2.75 | 1.15 | 2.47 | 96.38 |
| B3. Variance Decomposition of Independents | | | | |
| Period | S.E. | Democrats | Republicans | Independents |
| 1 | 2.48 | 21.49 | 78.36 | 0.15 |
| 4 | 3.36 | 19.91 | 77.19 | 2.90 |
| 8 | 3.56 | 22.08 | 71.71 | 6.21 |
| 16 | 3.76 | 29.08 | 64.35 | 6.56 |
| 20 | 3.85 | 31.90 | 61.49 | 6.61 |

Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

b. Independent candidate was Ross Perot, a right of center candidate and therefore increased competition for the Republican party.

Table 7: 1996 Election

| A. Granger-Causality ^a | | | | |
|--|--------------|-----------|--------------------------|--------------|
| | | Democrats | Independent ^b | Republicans |
| | Democrats | – | 0.328 | 0.469 |
| | Independents | 0.955 | – | 0.439 |
| | Republicans | 0.571 | 0.022 | – |
| | Joint | 0.266 | 0.736 | 0.057 |
| B1. Variance Decomposition of Democrats | | | | |
| Period | S.E. | Democrats | Republicans | Independents |
| 1 | 2.13 | 100.00 | 0.00 | 0.00 |
| 4 | 2.43 | 90.42 | 2.35 | 7.23 |
| 8 | 2.84 | 87.42 | 2.54 | 10.04 |
| 16 | 3.42 | 87.24 | 2.06 | 10.70 |
| 20 | 3.69 | 86.27 | 1.92 | 11.81 |
| B3. Variance Decomposition of Republicans | | | | |
| 1 | 0.67 | 6.37 | 86.81 | 6.83 |
| 4 | 0.76 | 6.22 | 80.79 | 12.99 |
| 8 | 0.81 | 7.53 | 70.68 | 21.79 |
| 16 | 0.98 | 5.70 | 50.01 | 44.29 |
| 20 | 1.07 | 5.18 | 43.75 | 51.07 |
| B3. Variance Decomposition of Independents | | | | |
| 1 | 1.22 | 0.58 | 0.00 | 99.42 |
| 4 | 1.62 | 1.10 | 2.63 | 96.27 |
| 8 | 2.02 | 1.13 | 4.47 | 94.40 |
| 16 | 2.81 | 1.23 | 4.61 | 94.16 |
| 20 | 3.05 | 1.26 | 5.03 | 93.71 |

Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

b. Independent candidate was Ross Perot, a right of center candidate and therefore increased competition for the Republican party.

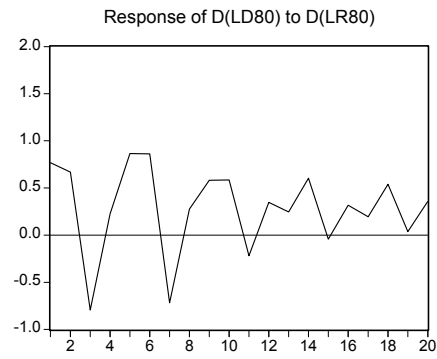
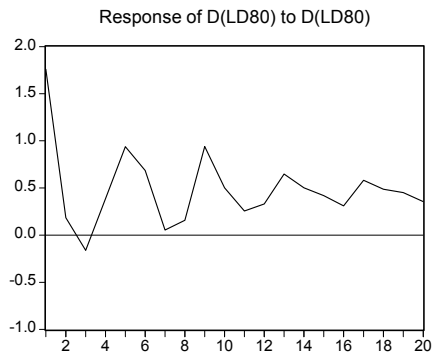
Table 8: 2000 Election

| A. Granger-Causality ^a | | | | |
|--|--------------|-----------|--------------------------|--------------|
| | | Democrats | Independent ^b | Republicans |
| | Democrats | – | > 0.000 | > 0.000 |
| | Independents | > 0.000 | – | 0.018 |
| | Republicans | 0.293 | 0.537 | – |
| | Joint | > 0.000 | 0.007 | 0.502 |
| B1. Variance Decomposition of Democrats | | | | |
| Period | S.E. | Democrats | Republicans | Independents |
| 1 | 0.91 | 100.00 | 0.00 | 0.00 |
| 4 | 1.03 | 84.94 | 5.00 | 10.05 |
| 8 | 1.29 | 66.84 | 5.59 | 27.56 |
| 16 | 1.55 | 63.04 | 7.70 | 29.26 |
| 20 | 1.67 | 61.88 | 8.39 | 29.73 |
| B3. Variance Decomposition of Republicans | | | | |
| 1 | 1.39 | 8.64 | 90.79 | 0.58 |
| 4 | 1.62 | 7.51 | 88.79 | 3.70 |
| 8 | 2.01 | 8.86 | 86.14 | 5.00 |
| 16 | 2.51 | 9.71 | 84.54 | 5.75 |
| 20 | 2.66 | 9.98 | 84.04 | 5.98 |
| B3. Variance Decomposition of Independents | | | | |
| 1 | 2.81 | 3.37 | 0.00 | 96.61 |
| 4 | 3.19 | 3.45 | 2.81 | 93.74 |
| 8 | 3.44 | 7.13 | 8.57 | 84.29 |
| 16 | 3.71 | 8.61 | 15.40 | 75.99 |
| 20 | 3.82 | 9.55 | 17.20 | 73.25 |

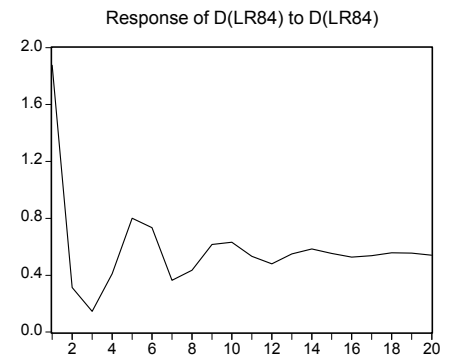
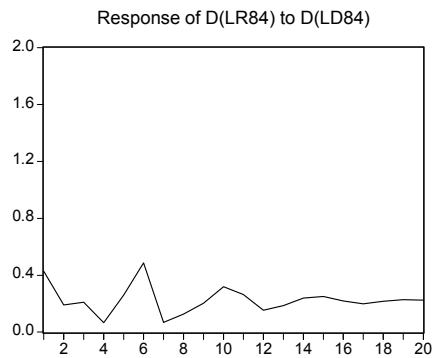
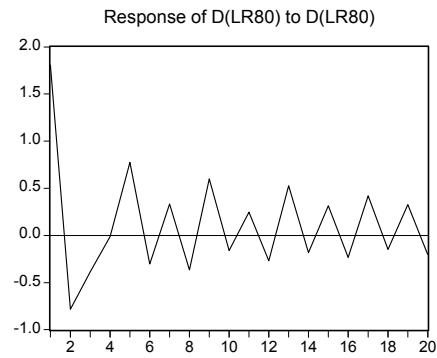
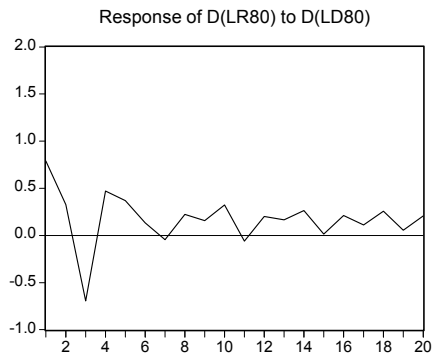
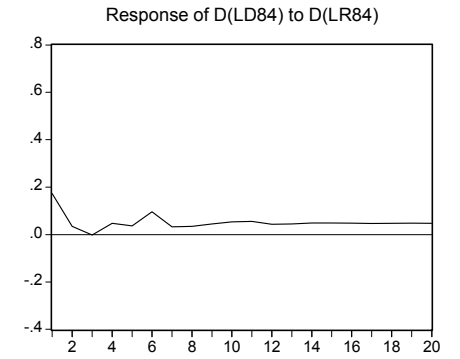
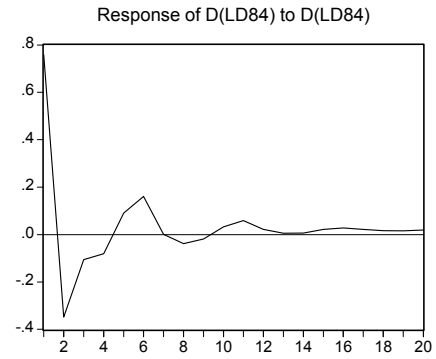
Notes *a.* p -values of χ^2 testing whether the relevant sets of coefficient are zero.

b. Independent candidate was Ralph Nader, a left of center candidate and therefore increased competition for the Democratic party.

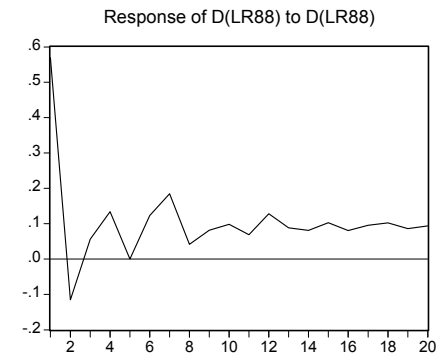
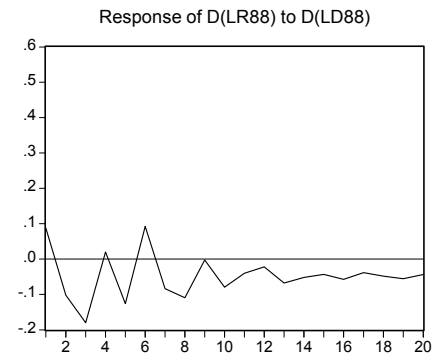
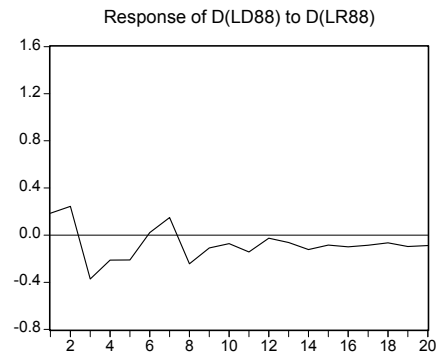
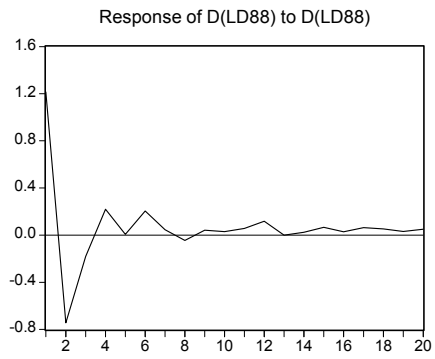
1980 Election
Response to Generalized One S.D. Innovations



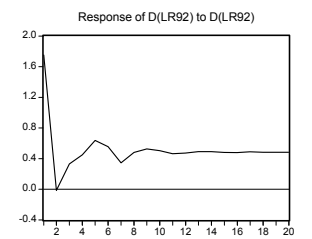
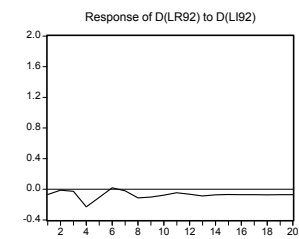
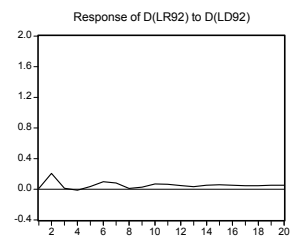
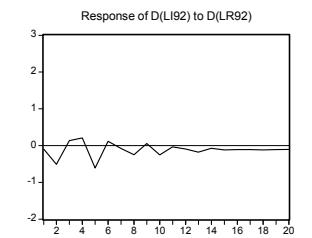
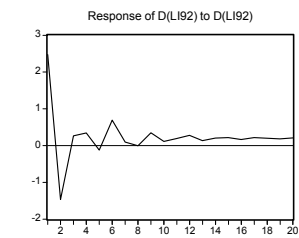
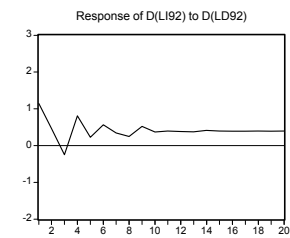
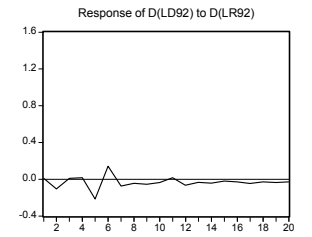
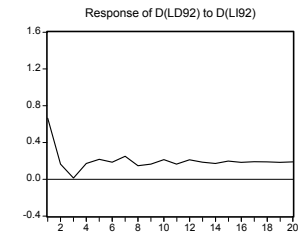
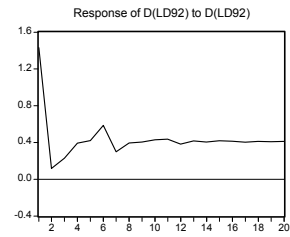
1984 Election
Response to Generalized One S.D. Innovations



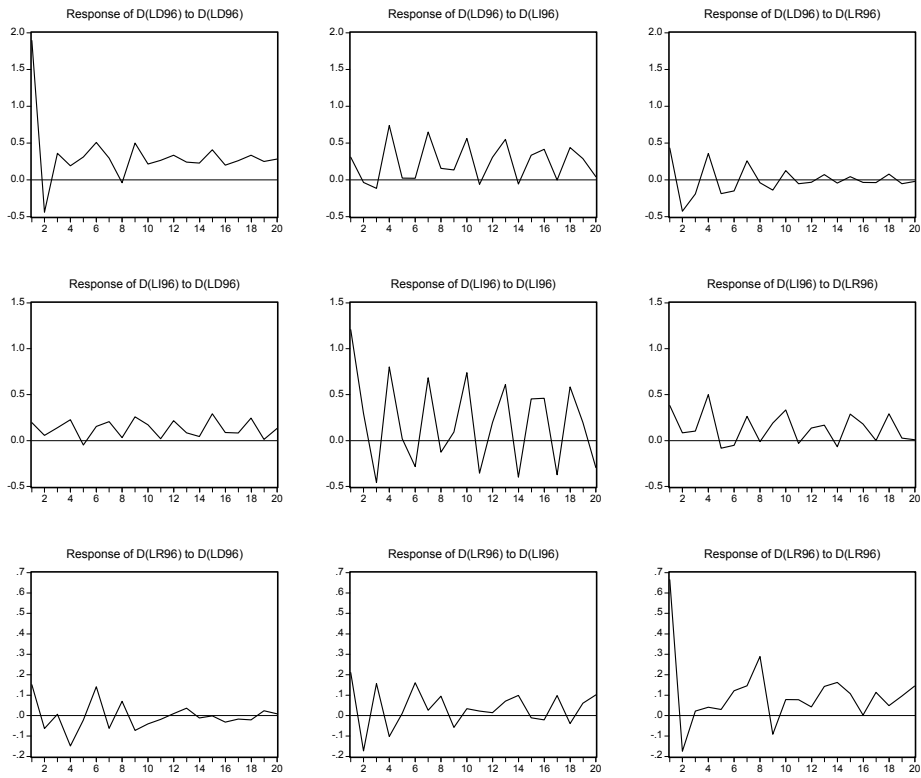
1988 Election
Response to Generalized One S.D. Innovations



1992 Election
Response to Generalized One S.D. Innovations



1996 Election
Response to Generalized One S.D. Innovations



2000 Election
Response to Generalized One S.D. Innovations

