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**Working Paper**

## Electoral Cycles, Partisan Effects and U.S. Naturalization Policies

ifo Working Paper, No. 239

**Provided in Cooperation with:**

Ifo Institute – Leibniz Institute for Economic Research at the University of Munich

*Suggested Citation:* Drometer, Marcus; Méango, Romuald (2017) : Electoral Cycles, Partisan Effects and U.S. Naturalization Policies, ifo Working Paper, No. 239, ifo Institute - Leibniz Institute for Economic Research at the University of Munich, Munich

This Version is available at:

<https://hdl.handle.net/10419/171161>

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# Electoral Cycles, Partisan Effects and U.S. Naturalization Policies

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Impressum:

ifo Working Papers

Publisher and distributor: ifo Institute – Leibniz Institute for Economic Research at the University of Munich

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## Electoral Cycles, Partisan Effects and U.S. Naturalization Policies\*

### Abstract

Using a panel of naturalizations in U.S. states from 1965 to 2012, we empirically analyze the impact of elections on naturalization policy. Our results indicate that naturalization policy is (partly) driven by national elections: there are more naturalizations in presidential election years and during the terms of Democratic incumbents. We then investigate the dynamics of an incumbent's behavior over the course of his term in detail, finding that the effects are more pronounced in politically contested states and for immigrants originating from Latin America.

JEL Code: H11, D72, F22.

Keywords: Electoral cycles, naturalization policy.

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\* We would like to thank Jesús Fernández-Moraga, Gordon Dahl, Thomas Stratmann, Max Steinhardt, Michael Dorsch, and Panu Poutvaara, as well as participants of the Congress of the IIPF in Cambridge, the Jahrestagung des Vereins für Socialpolitik in Münster, the Annual Conference of the European Association of Law & Economics in Bologna, the European Public Choice Society Meeting in Budapest, the Silvaplane Workshop on Political Economy, the Public Economics Seminar at the University of Munich and the ifo lunchtime seminar for their many helpful comments and suggestions. Financial support by the Leibniz Association (SAW-2012-ifo-3) is gratefully acknowledged.

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# 1 Introduction

On June 18, 1798, the U.S. Congress, under the influence of the Federalist political party, passed the Naturalization Act, which increased the period of residence required before immigrants were eligible to become naturalized and obtain citizenship from 5 to 14 years.<sup>1</sup> Both contemporary witnesses and present historians agree that the law was intended to decrease the number of voters, mostly Irish and French immigrants, who supported Thomas Jefferson and the Democratic-Republicans, the Federalists' major political rival at that time.<sup>2</sup> Nevertheless, Jefferson won the upcoming election and during his term the Naturalization Act of 1798 was repealed by the Naturalization Law of 1802, which restored the five-year waiting period for naturalization. Almost 200 years later, the Clinton Administration was accused of various manipulations prior to the 1996 presidential elections, all of which were aimed at streamlining the naturalization process so as to collect thousands of 'newly created' votes in key states. Critics estimate that more than 200,000 applications were anomalously treated by the federal immigration agency (see, e.g., Schippers and Henry (2000)). These two events illustrate the interaction between elections and naturalization policies that is at the heart of this paper.

In this paper, we analyze the impact of presidential elections and the incumbent president's party on the level and pattern of naturalizations across U.S. states for the period 1965 to 2012. Our results indicate that naturalization policy is (partly) driven by national elections: there are more naturalizations in presidential election years and during the terms of Democratic incumbents. We then investigate the dynamics of an incumbent's behavior over the course of his term in detail. We show that Democratic incumbents always favor high levels of naturalization, whereas Republican incumbents seem to adjust naturalization policy only during election years. To disentangle the effect of government policies from changes in the demand for naturalizations, we examine how the acceptance rate of naturalization petitions is affected by elections. This analysis reveals that both parties pursue different naturalization policies, however, the electoral cycle remains relevant only for Democratic incumbents. Further results indicate that the effects are more pronounced in politically contested states and for immigrants originating from Latin America. In light of this evidence, we argue that the incumbent strategically uses naturalization policies to improve his (or his party's) chances of reelection by speeding up the naturalization process in contested states prior to a presidential election, especially in regard to immigrant groups with a clearly predictable voting pattern.

As in most developed countries, immigration policy is a highly contentious top issue

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<sup>1</sup>Naturalization is the acquisition of host-country citizenship by legal immigrants, which confers upon them the right to vote and to hold elective office.

<sup>2</sup>The alliance between the Democratic-Republican Party and the Irish immigrants developed over time due to a number of policy issues. For example, the Irish immigrants disapproved of Federalist openness to trade with England, which they regarded as their native country's oppressor. For further details, see, e.g., Carter (1970) and Watkins (2004).

in the United States and the two major parties clearly differ in their attitudes towards migration levels, legalization, and citizenship.<sup>3</sup> At the same moment, the country contains a huge and growing number of potential voters with immigration backgrounds. These are, first, legal immigrants who are entitled to citizenship, but have not made any efforts to obtain naturalization and, second, naturalized immigrants who exhibit little political participation.<sup>4</sup> Taylor *et al.* (2012) estimate that the Hispanic electorate in the United States could double by 2030 if Hispanics' relatively low voter participation and naturalization rates were to rise to the levels of comparable groups. Thus, naturalization policies are a salient factor in election politics - for at least two reasons. First, naturalization policies might be used by the incumbent party to shape the electorate in a way favorable to it, as suggested in the above-mentioned anecdotes.<sup>5</sup> If 'newly created' voters have a clear tendency to support (oppose) the incumbent party, the government might pressure the federal administration to increase (decrease) the number of naturalizations. Second, naturalization policies reveal an incumbent's stance on immigration for existing voters. If supporters of the party in power prefer strict (lenient) immigration policies, the incumbent might try to reduce (increase) naturalizations above average levels. Such effects are likely to be more pronounced in election years when incumbents try to signal their policy stance with the intent of securing the continued allegiance of their core supporters.

In the case of the United States, naturalization policies shape the electorate by creating new voters who (for the period considered here) show a clear tendency to support the Democratic Party.<sup>6</sup> At the same time, the core voters for the Democratic Party tend to favor increased legal immigration levels and the granting of full citizenship to immigrants. In this context, the Democrats would seem to profit from an increase in the number of naturalizations. In accordance with this reasoning, Mayda *et al.* (2016) show that an increase of the share of naturalized migrants in the voting population decreases votes for the Republican Party. Thus Democratic incumbents should have an incentive to pursue more lenient naturalization policies, for example, by speeding-up the workflow of the relevant federal agency, the U.S. Citizenship and Immigration Services (USCIS) (as was conjectured to occur in the Clinton case prior to the 1996 presidential elections), especially in states that are likely to be important in the presidential election and for immigrant groups that are clearly pro-Democratic. For Republican incumbents the case is less clear-cut: traditionally, its supporters have been skeptical of migration-friendly policies and only a minority of naturalized immigrants vote Republican; only recently has

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<sup>3</sup>According to a Gallup survey, 20 percent of U.S. registered voters say they will only vote for a candidate who shares their views on immigration, with another 60percent responding that this issue will be one of many important they take into account. See Jones (2015).

<sup>4</sup>For detailed figures see Gonzalez-Barrera *et al.* (2013) and Section 2.2.

<sup>5</sup>For an overview of naturalization policies, see Mariani (2013). A detailed account of Hispanic immigrants in the U.S. context is provided by DeSipio (2013).

<sup>6</sup>For detailed evidence, see Section 2.2.

the party begun to target the growing Hispanic population, which has become too important to ignore. Against this backdrop, we expect higher levels of naturalization under Democratic incumbents and a more clearly pronounced election-cycle under Republican incumbents.

Our results provide strong evidence of a relationship between presidential elections and naturalization policies. When investigating the numbers of naturalizations granted, we find clear evidence of a partisan effect (higher under Democratic incumbents) and an electoral cycle (higher in election years). Further investigation of the acceptance rate that is intended to control for demand-side factors, indicates that the electoral cycle is mainly driven by variations in the number of petitions filed, whereas the partisan effect remains considerable in this analysis. Our analysis of the dynamics of an incumbent's behavior over the course of his term confirms that Democratic incumbents are always associated with higher levels of naturalizations. In line with our prediction, we find less-clear-cut results for Republican incumbents: they seem to vary their behavior over the term and pursue a more liberal naturalization policy only during election periods - but at a lower average level than is the case for Democrat incumbents. When considering the acceptance rate, our finding of a partisan effect is confirmed, whereas - if anything - there is an electoral cycle under Democratic incumbents, that is, there is an increase in the acceptance rate as the (presidential) election year approaches. Two other findings support our hypothesis that the pattern of naturalization observed stems from the incumbent's efforts to improve his (or his party's) chances of reelection and not from a general increase in government efficiency prior to elections. First, we show that the dynamics over the course of the president's term is driven by politically contested states which are highly valuable in terms of Electoral College votes. Second, we find that for Democratic incumbents the pattern observed is more pronounced for naturalized citizens originating from Latin American countries, who are more likely than, for example, immigrants from Asia to vote for the Democratic Party. For the naturalization of immigrants from Vietnam and Laos, who are known to be pro-Republican, there are even fewer naturalizations under Democratic incumbents. Finally, robustness checks indicate that more naturalizations occur in states with a large share of immigrants and that our results do not depend on individual, especially influential, presidencies such as those of Nixon, Reagan, or Clinton.

The main hypothesis of this paper is inspired by the political budget cycle literature following Nordhaus (1975), which argues that incumbent politicians have strong incentives to distort public policies in order to increase approval rates whenever elections are pending.<sup>7</sup> There is ample evidence suggesting that electoral cycles occur in many, if not all, advanced democracies, but differ substantially across countries depending on the

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<sup>7</sup>Partisan drivers have been studied in the political business cycles literature since Hibbs (1977). For empirical evidence on partisan cycles, see Alesina *et al.* (1997).

country's fiscal transparency and its experience with democracy.<sup>8</sup> Analogously, we argue that the incumbent government influences federal agencies to speed up (slow down) the naturalization process<sup>9</sup> and take into account the relative importance of states based on the Electoral College system as well as the expected voting behavior of naturalized citizens. The literature so far has mainly applied the median voter framework to explain immigration policies, under which the current voters weigh the economic benefits of migrants against their (future) political influence (e.g., Dolmas and Huffmann 2004; Ortega 2005). The same framework is used by Mariani (2013) to explain the optimal timing of naturalization. Bertocchi and Strozzi (2010) find evidence that countries with a *jus soli* regime tend to implement more restrictive naturalization policies when facing increasing immigration - compared to countries with a *jus sanguinis* regime. Other related studies examine how immigration policies are shaped by the importance of business interest groups and labor unions (Facchini *et al.* 2011) or the intention of US representatives to protect their home district's labor force (Facchini and Steinhardt 2011).

Our paper is structured as follows. Section 2 describes the institutional background. Section 3 presents the methods employed to empirically test the above hypotheses, as well as the data used. Section 4 presents the results of the empirical analysis and Section 5 several robustness checks. Section 6 concludes.

## 2 Background and Determinants of Naturalization

### 2.1 Naturalization Process

U.S. citizenship regulations are based on federal law and entitle an immigrant who has been a permanent resident in the United States for at least five years to apply for citizenship. Applicants are required to pass a simple test of their English and civics knowledge, and the vast majority of applicants do. Moreover, they need to prove their good moral character (i.e., no (serious) criminal record). It takes roughly five to eight months from the submission of an application until the final decision. The naturalization process is implemented by the U.S. Citizenship and Immigration Service (USCIS), a federal agency under the jurisdiction of the Department of Homeland Security (DHS). The key functions of the USCIS are processing naturalization applications, overseeing the immigration of family members, granting work allowances (temporarily or permanently with a green card), and processing asylum and refugee applications. Prior to March 1, 2003, the functions now performed by the USCIS were carried out by the former Immigration and Naturalization Service (INS), which was restructured in the course of the major reorganization of most federal services related to homeland security in the aftermath of

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<sup>8</sup>See, e.g., Brender and Drazen (2005) and Alt and Lassen (2006).

<sup>9</sup>Drazen and Eslava (2010) argue similarly in a game-theoretical framework where the incumbent adjusts the composition of government spending in election periods to gain the approval of swing voters.



September 11, 2001.

## 2.2 Immigration and Naturalization in the Political Debate

The shift in the composition of the U.S. population away from the former white majority to a greater proportion of nonwhite groups has put migration and naturalization policies at the forefront of political debate for two reasons. Legal migrants from Asia and Latin America are currently the fastest-growing ethnic groups in the United States.<sup>10</sup> Foreign-born citizens represent a significant pool of potential voters, even though their political participation rates are traditionally lower than those of average natives.<sup>11</sup> Moreover, many legal permanent immigrants are not U.S. citizens even though most of them meet the qualifications: a third of eligible immigrants from Mexico have not (yet) filed a petition for citizenship. Finally, the median age of immigrants is much younger than that of natives. In 2012, 17.6 million Hispanics were under the age of 18 and will automatically become eligible to vote once they turn 18 as most of them are U.S.-born. In total, Gonzalez-Barrera *et al.* (2013) estimate that the Hispanic electorate will double by 2030 if their participation and naturalization rates reach average levels.

Both parties generally exhibit positive attitudes toward immigration in general.<sup>12</sup> However, Republicans are perceived as campaigning for stricter rules to prioritize legal migration and discourage and stop illegal migration. An important point of divide is the conditions for obtaining citizenship, as exemplified by the debate on immigration reform under the Obama Administration. *Republicanviews.org* reports that:<sup>13</sup>

[D]espite believing that there is a possibility it will reward and encourage illegal behavior, 70% of Republicans actually believe that the country could benefit from having illegal immigrants join the workforce as legal workers. The difference is in whether or not they should be given an opportunity to become full citizens, with Democrats saying yes and Republicans saying no.

The core electorate of the Republican Party consists of non-Hispanic white citizens, who are traditionally skeptical about migration. Hispanic and other groups with migration backgrounds lean toward the Democratic Party.<sup>14</sup> For these groups, immigration

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<sup>10</sup>See, e.g., DeSipio (2013) and Gonzalez-Barrera *et al.* (2013) for a detailed analysis.

<sup>11</sup>Xu (2005) argues that registration requirements are an important factor in explaining the lower turnout rates among Asian Americans and Hispanics.

<sup>12</sup>This statement refers to the period analyzed in our paper. In contrast, the 2016 elections were characterized by a fundamental divide between the two major parties on immigration issues. See, for example, <http://www.bloomberg.com/politics/articles/2016-03-14/two-parties-two-radically-different-visions-on-immigration>, accessed November 5, 2016.

<sup>13</sup>See <http://www.republicanviews.org/republican-views-on-immigration/> accessed 20 October 2016.

<sup>14</sup>Currently, 86 percent of Republican and Republican-leaning registered voters are non-Hispanic whites, compared with 57 percent of all Democratic and Democratic-leaning registered voters. Over time, the gap between the share of white voters in the Republican and Democratic parties has increased, going from 17 percent in 1992 to 29 percent in 2016. See <http://www.people-press.org/2016/09/13/the-parties-on-the-eve-of-the-2016-election-two-coalitions-moving-further-apart/>, accessed November 5, 2016.

policies are clearly a threshold issue, that is, these voters are particularly sensitive to candidates' stance on immigration policies, and mostly regard this as the fundamental issue.<sup>15</sup> Thus, an incumbent can both signal his political stance on migration policies and influence the composition of the electorate by tightening or softening the naturalization process. This in turn generates political incentives to manipulate immigration policies, usually more subtly than that demonstrated by the 1798 Naturalization Act.

## 2.3 Naturalization and the Electoral Cycle

In the following empirical analysis, we investigate two possible effects of politics on naturalization rates. First, we will say that there is a *partisan effect* if naturalization levels are consistently higher under a specific incumbent party. Second, we will say that there is an *electoral cycle* if naturalization levels (or rates) are higher in election years. In general, the number of immigrants who obtain citizenship depends on various factors, but we distinguish two main channels through which the electoral cycle can affect naturalization. The first one is the “demand” for naturalization, that is, the decision by lawfully eligible immigrants to apply for citizenship. The second one is the “supply” of naturalization, that is, the actions of the federal agency or the incumbent party to increase or decrease the number of naturalizations in a given period.

The demand-side effect depends on the size of the immigrant population that is eligible, but also strongly on their intentions, that is, whether they decide to file a naturalization petition.<sup>16</sup> As electoral campaigns or media reports might motivate eligible immigrants to register for citizenship ahead of elections, an approaching election is likely to increase the demand for naturalizations (and thus, at least normally, the number of naturalizations granted). Therefore, we disentangle the demand-side effects from the government's current actions by controlling for the stock of immigrants eligible for naturalization and the number of applications for citizenship, as outlined in the next section in more detail. However, the size of this demand effect is likely to be small as the entire naturalization process takes several months and needs to be completed before the voter registration deadline for an upcoming election.

On the supply side, the federal government can influence naturalization policies either by creating new voters, or by signaling to existing voters its stance on migration.<sup>17</sup> This can be done in several ways. First, it can adjust the legal regulations for naturalization and immigration. There were only minor changes to the naturalization law in the

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<sup>15</sup>See, e.g., The Economist (March 14, 2015).

<sup>16</sup>In an analysis of mass migration from European countries to the United States at the beginning of the 20th century, Shertzer (2016) shows that share of immigrants in the local population is relevant for their political mobilization.

<sup>17</sup>Stricter immigration policies can also be thought of as a political instrument during negotiations with the opposition party, for example, the DREAM Act and the number of deportations under the Obama Administration. There is no direct example in the case of naturalization.

period considered in our analysis,<sup>18</sup> but immigration requirements were adjusted frequently and substantially.<sup>19</sup> Any changes to immigration laws affect the size and composition of potential citizens a few years into the future. For example, amnesties for unauthorized immigrant workers such as the Immigration Reform and Control Act of 1986 substantially increased the pool of immigrants with a permanent residence permit.

Second, the government can actively promote citizenship among eligible immigrants via media campaigns. For example, the Obama Administration launched a comprehensive campaign targeting major media markets in 10 major states, allowed naturalization fees to be paid by credit card, and introduced a partial fee waiver program<sup>20</sup> on the eve of the 2016 elections in order to remove barriers to applying for full citizenship by permanent residents.<sup>21</sup> As part of the White House’s “Stand Stronger” initiative, 70 outreach events were planned in the first week of the campaign, as well as 200 naturalization ceremonies that would induct 36,000 new citizens over the same period.<sup>22</sup> Republican policymakers have criticized these measures, expressing concern that they allow (mainly) new Democratic voters to register.<sup>23</sup>

Third, an incumbent president might be inclined to influence the workflow of the federal agency, the USCIS (previously the INS), in order to improve his own and/or his party’s chance of reelection. The USCIS has a certain amount of discretion in regard to the speed (or lack thereof) of the decision process, the level of information dissemination about the naturalization process, and where, that is, which states and immigrant groups, to focus its efforts. Frequent complaints about serious backlogs and related policy interventions by the government support the view that the USCIS (previously the INS) has exhibited considerable variation in the speed of processing applications.<sup>24</sup> This hypothesis is substantiated by a number of well-documented cases where the federal government was criticized for having pressured the USCIS (formerly the INS). Most prominently, the Clinton Administration was accused of having put pressure on INS offices to expedite their work and to rapidly clear the backlog of applications pending review (see Coutin

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<sup>18</sup>Strozzi (2016) documents that citizenship requirements are changing globally, but no general convergence is observed.

<sup>19</sup>The PEW Research Center lists 11 major changes between 1965 and 2012. See [pewresearch.org](http://www.pewresearch.org/fact-tank/2015/09/30/how-u-s-immigration-laws-and-rules-have-changed-through-history/) at <http://www.pewresearch.org/fact-tank/2015/09/30/how-u-s-immigration-laws-and-rules-have-changed-through-history/>, accessed September 29, 2016.

<sup>20</sup>A nationwide survey of Hispanic immigrants by the Pew Hispanic Center in 2012 found that 18 percent of those who have not yet naturalized identified administrative barriers as a reason for not doing so, such as the financial cost of naturalization. See: <http://www.pewhispanic.org/2013/02/04/the-path-not-taken/>, accessed September 29, 2016.

<sup>21</sup>C.f., Memorandum “Policies to Promote and Increase Access to U.S. Citizenship” at [https://www.dhs.gov/sites/default/files/publications/14\\_1120\\_memo\\_naturalization.pdf](https://www.dhs.gov/sites/default/files/publications/14_1120_memo_naturalization.pdf), accessed February 20, 2017.

<sup>22</sup>See Politico.com at <http://www.politico.com/story/2015/09/obama-citizenship-immigrants-naturalization-democrats-213810#ixzz3oS6y4e6N>, accessed on October 13, 2015.

<sup>23</sup>See Fox News on <http://www.foxnews.com/politics/2014/12/20/new-citizens-push>, accessed on April 29, 2015.

<sup>24</sup>For example, the Migration Policy Institute (2005) describes the persistent backlog in naturalization processing. We also find evidence of a congestion effect in our empirical analysis (see Section 4).

2006, p.513f). In particular, the vice president's office is thought to have been engaged in various types of manipulation prior to the 1996 presidential elections, all of which were aimed at streamlining the naturalization process so as to collect thousands of new voters in key states. For example, new leaders (known as "reinventors") were appointed to many INS offices, replacing leaders who were not as efficient as the Clinton Administration required.<sup>25</sup> Finally, the INS also seems to have been pressured to lower its standards. In particular, it allowed for an insufficient screening of fingerprints, which are necessary to check the criminal record of applicants.<sup>26</sup>

In the case of CUSA, it is reported that special attention was given to California, Florida, Illinois, New York, New Jersey, and Texas, which hold a combined total of 181 electoral votes. Whereas changes in federal naturalization and immigration laws by definition affect all states in the same way, both campaigning via media and influencing the workflow of a federal agency can be targeted. Our prior is that the incumbent party can exploit this discretionary power by focusing on states that are more valuable in regard to Electoral College votes. This should be reflected by a higher number of naturalizations in states that are contested and have many electoral votes.

### 3 Estimation Approach and Data

#### 3.1 Specification

To discover whether there is an electoral cycle and/or a partisan effect in the evolution of naturalization across U.S. states, we start with a basic regression analysis of the following form:

$$Y_{s,t} = \alpha_0 + \alpha Y_{s,t-1} + \beta_1 \text{Presidential\_election\_year}_t + \beta_2 \text{Presidential\_incumbent\_party}_t + \gamma \text{Second\_term}_t + \Gamma X_{s,t} + \theta_s + e_{s,t}, \quad (1)$$

where  $\text{Presidential\_election\_year}_t$  represents an indicator variable that equals 1 in every presidential election year and  $\text{Presidential\_incumbent\_party}_t$  an indicator variable that equals 1 if the incumbent president belongs to the Democratic Party. The indicator  $\text{Second\_term}_{it}$  takes the value 1 when the president is in his second term.

$Y_{s,t}$ , the dependent variable, stands for the main outcome of interest in state  $s$  and year  $t$ . First, we investigate the existence of an electoral cycle and a partisan effect in

<sup>25</sup>Schippers and Henry (2000) contains a detailed account of the accusations against the Clinton Administration following the "Citizenship USA" (CUSA) initiative from August 1995 through September 1996.

<sup>26</sup>According to the Los Angeles Times (February 10, 1998), processing errors were found in 90.8 percent of the cases handled during the CUSA initiative, resulting in 75,000 applicants with arrest records becoming new U.S. citizens, in addition to 166,000 whose fingerprints were unclassifiable or not even submitted.

the (log) *number of naturalizations*.<sup>27</sup> To avoid the potentially disproportionate influence of state-year observations with a very small number of naturalizations, we restrict our attention to those with more than 50 naturalizations (affecting 39 out of 2,304 observations). Following the literature on electoral cycles, we specify Equation (1) as a dynamic panel to capture the persistent nature of policy choices.

$X_{s,t}$  groups a set of state-year characteristics that are likely to influence the number of naturalizations, for instance, average income, population size, urbanization rate, and average education. Furthermore, the size of the stock of migrants in a state, in particular the stock of immigrants who can lawfully apply for U.S. citizenship, might be relevant as it determines the potential for naturalization.<sup>28</sup> Therefore, we approximate the number of these “eligible” immigrants,  $E_{s,t}$ , by calculating the stock of immigrants who received a permanent residence permit in state  $s$  between the years  $t-15$  and  $t-5$  minus the number of naturalized immigrants between the years  $t-10$  and  $t$ .<sup>29</sup> In some specifications (not shown), we also include a time trend to account for the possibility that our results are driven by a general upward trend in naturalizations. We account for unobserved heterogeneity using state fixed effects,  $\theta_s$ , capturing all time-invariant state characteristics. Finally,  $e_{s,t}$  represents an error term with standard errors clustered by state.

Our basic results indicate that there is indeed an electoral cycle as well as partisan effects in naturalization policies. To decompose the driving forces behind this aggregate effect, we analyze the dynamics of presidential incumbents’ behavior over the course of their terms by estimating variants of the following equation:

$$\begin{aligned} Y_{s,t} = & \alpha_0 + \alpha Y_{s,t-1} + \beta_2^{rep} Rep\_second_t + \dots + \beta_4^{rep} Rep\_fourth_t \\ & + \beta_1^{dem} Dem\_first_t + \dots + \beta_4^{dem} Dem\_fourth_t \\ & + \gamma Second\_term_t + \Gamma X_{s,t} + \theta_s + e_{s,t}, \end{aligned} \quad (2)$$

where, for example, the variable  $Rep\_second_t$  is a dummy variable that equals 1 if the incumbent president is from the Republican Party and is in the second year of his term. The specification of the set of dummies

$$(Rep\_first_t, \dots, Rep\_fourth_t, Dem\_first_t, \dots, Dem\_fourth_t)$$

allows capturing dynamic effects over one presidential term, the reference period being the first year of a Republican incumbent.<sup>30</sup>

As noted earlier, the observed patterns of naturalization might be influenced by both

<sup>27</sup>The alternative specification  $\log(naturalizations_{it}/population_{it})$  yields very similar results.

<sup>28</sup>Our regression results show that this factor is relevant for explaining the number of naturalizations, but is not crucial for our main results.

<sup>29</sup>Additionally, we normalized all values to avoid negative numbers.

<sup>30</sup>We experimented with dummies up to the eighth year to flexibly differentiate between first and second term effects. However, the coefficient estimates were sensitive to outliers.

the demand and the supply side. To isolate the supply-side effect, that is, legal changes by the federal government and changes in the behavior of the USCIS, we investigate the effect of the electoral cycle on the proportion of naturalization petitions that are successful by state and year (the *acceptance rate*). In comparison to our first specification, there is less concern that demand-side effects, for example, an increase in the number of applications due to the electoral campaign, directly translate into changes of the dependent variable. One challenge to this analysis is that data on the number of petitions filed are available only at the aggregate (federal) level.<sup>31</sup> To approximate the number of petitions filed in each state in a given year, we distribute the aggregate number of petitions filed in this year between states according to the relative size of the eligible immigrant population.<sup>32</sup> That is, if  $E_t$  is the aggregate number of eligible immigrants,  $E_{s,t}$  the number of eligible immigrants in state  $s$  and  $PF_t$  the number of petitions filed in year  $t$ , we approximate the number of petitions filed in state  $s$  and year  $t$ ,  $PF_{s,t}$ , by :

$$PF_{s,t} := \frac{E_{s,t}}{E_t} PF_t$$

Then, in Equation (2),  $Y_{s,t}$  is defined as the ratio between the number of naturalizations and the number of petitions filed  $PF_{s,t}$  in state  $s$  and year  $t$ . In this specification, instead of the stock of eligible migrants, we control for the aggregate number of petitions filed as well as for the estimated number of petitions filed at the state-year level.

### 3.2 Estimation Procedure

We first report the results of the pooled OLS estimator. The fixed effects estimator (FE) improves on it by controlling for the unobserved state-specific effects. However, the presence of serial correlation in the residuals and the decrease in the estimated coefficient pertaining to the lagged dependent variable,  $Y_{s,t-1}$ , indicate that the FE might also suffer from a bias (see Nickell 1981; Kiviet 1995). To account for this issue we report estimates based on the system GMM estimator developed for dynamic panel data by Blundell and Bond (1998) as a robustness test.<sup>33</sup> In this framework, we define the following variables as endogenous:<sup>34</sup>  $Y_{s,t}$ ,  $Y_{s,t-1}$  and the number of eligible migrants in state  $s$  at time  $t$ . When estimating the effect of the electoral cycle on the proportion of petitions that are successful, we consider the number of petitions filed at the state level

<sup>31</sup>The dis-aggregated series are available only for very recent years. Despite several attempts, we could not obtain the long series of petitions filed at the state level.

<sup>32</sup>Thus the approximation of the acceptance rate rests on assumptions that are not necessary when assessing the number of naturalizations. In particular, migration of immigrants across states needs to be sufficiently low as well as the probability of applying for citizenship after having been entitled to do so for 10 years.

<sup>33</sup>We also tried the first-difference estimator based on Arellano and Bond (1991). However, this suffered from the weak instrument problem.

<sup>34</sup>Our results are robust to specifications that define the number of eligible migrants and the number of petitions filed at the state level as exogenous.

as endogenous. The lagged values of these variables are used as instruments to create moment conditions. For example, for the main dependent variable  $Y_{s,t}$ , the Blundell and Bond (1998) estimator combines the moment conditions for the “differenced model”:

$$E((e_{s,t} - e_{s,t-1})Y_{s,t-i}) = 0 \text{ for some integer } i \geq 1.$$

with those for the “level model”:

$$E((\theta_s + e_{s,t})(Y_{s,t-i} - Y_{s,t-i-1})) = 0 \text{ for some integer } i \geq 1.$$

As the serial correlation test suggests an  $AR(1)$  (or sometimes  $AR(2)$ ) model for the errors, we use the lags up to the period  $t - 2$  (or sometimes  $t - 3$ ). We report results based on a collapsed set of instruments as proposed by Roodman (2009) and limit the number of lags further to reduce the number of instruments close to  $\sqrt{nobs}$ . We also tried different lag specifications as instruments which yielded very similar results. In all GMM specifications we assume that the election indicator is strictly exogenous.

### 3.3 Data

To analyze how the number of naturalizations granted by the USCIC differs across time and states, we use data for the 48 contiguous U.S. states from 1965 to 2012. In the course of U.S. history, the parties’ stance on immigration issues have undergone a number of substantial changes. In particular, the parties changed their positions on racial issues, with the Democratic Party becoming most popular among black voters in the U.S. South in the early 1960s. Carmines and Stimson (1989) argue that the 1964 presidential elections marked the most important recent issue-based realignment of parties and voters. Moreover, in 1965, the landmark Immigration and Nationality Act, which replaced the system of country quotas with one that favored family reunification and skilled immigrants, was enacted. The Act had the result of changing the dominant immigration pattern from one where most immigrants were people born in Europe to one in which most are from Asia and Latin America. Therefore, we restrict attention to the post-1964 period in our analysis and use the data from 1950 on to approximate the stock of immigrants eligible for citizenship, as described in Section 3.1.<sup>35</sup>

Data on naturalization and permanent residences are available from the *Statistical Yearbook of the Immigration and Naturalization Service* issued by the U.S. Department of Homeland Security. The naturalization figures refer to the U.S. government fiscal year starting October 1. As the registration period for presidential elections also ends around that date (one month before the election takes place), the data are suitable for capturing an electoral cycle.<sup>36</sup> The data include only those persons who were lawful permanent

<sup>35</sup>The results do not change qualitatively when using the entire sample.

<sup>36</sup>The number of permanent residences by state of intended residence was not available for 1980, 1981,

residents (“green card” holders), 18 years old or over, filed an N-400 Application for naturalization and were subsequently granted U.S. citizenship.<sup>37</sup> Table 1 reveals that, on average, more than 11,000 immigrants obtain citizenship per state and year. There is large variation across states, with high numbers of naturalizations in states with large immigrant populations, such as California, Florida, and New York. The data on permanent residencies are stem from the same source.

The data on election dates and outcomes were gathered from the Federal Election Commission and Beyle *et al.* (2002). Based on these data, we constructed indicators for presidential elections as well as for the party of the incumbent president. Table 1 shows that there were slightly more Republican presidents during the time period considered. Finally, we use data on population, educational attainment (percentage of total population 25 years and over with a high school diploma or a higher degree), and the stock of migrants from the U.S. Bureau of the Census (Statistical Abstracts). Data on per capita income (measured in 2000 dollars) were collected from the U.S. Bureau of Economic Analysis.

[Table 1 about here.]

## 4 Results

In the first set of regressions, we look for the existence of an electoral cycle and a partisan effect in the *number of naturalizations* by state and year based on our basic Equation (1). For each of the outcomes, Table 2 reports the estimation results using a pooled OLS (Column (1)), a fixed effects (Column (2)), and a GMM estimation (Column (3)). We find clear evidence of an electoral cycle in the number of naturalizations across all specifications that amounts to an increase of roughly 5 percent in presidential election years. At the same time, our findings indicate that the identity of the party in power is relevant: the number of naturalizations is around 3 to 6 percent higher under Democratic governments. Additionally, we find that the number of naturalizations is lower in a president’s first term in office. As expected, in areas with larger eligible migrant pools, the number of naturalizations is higher. Furthermore, there is a strong and highly significant relationship between size of the population and naturalizations. Equally, our estimates suggest that more immigrants obtain citizenship in states with higher income growth. In contrast, differences in educational attainment do not seem to matter in our context.

As discussed in Section 2.3, there are two ways to interpret these results, depending on whether one focuses on the demand side or the supply side. A “demand-side”

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or 1987, but was interpolated after ensuring that there were no major changes at the aggregated national level.

<sup>37</sup>By law, only lawful permanent residents who are age 18 or over can apply for citizenship. However, those under the age 18 can obtain “derivative citizenship” when his/her parent naturalizes.



driven interpretation explains the observed electoral cycle by a higher petition rate during election years: the electoral campaign might induce eligible migrants to naturalize in election years. Along the same lines, the partisan effect could be explained by a higher propensity for eligible migrants to obtain U.S. citizenship under a Democrat president.<sup>38</sup> A “supply-side” driven interpretation emphasizes the role of the incumbent president (party). The finding of an electoral cycle suggests that the incumbent president makes use of his power to influence the naturalization process to improve his chances of reelection. Equally, the evidence of partisan effects confirms the hypothesis of a pronounced difference between the underlying incentives of the two major parties to grant citizenship: a Democratic incumbent both gains new (on average) favorable voters without threatening the support from his core voters; a Republican incumbent, however, face various trade-offs: new voters tend to lean toward the opponent party and his core voters are skeptical towards immigration, but at the same time it is more and more costly to ignore the growing number of foreign born voters.

Both interpretations might be valid concomitantly. To isolate the supply-side effect, we investigate the existence of an electoral cycle and a partisan effect on the proportion of naturalization petitions that are successful by state and year (*acceptance rate*), as explained in Section 3.1. In contrast to the number of applications, which might mechanically drive the consequent number of naturalizations, the acceptance rate is based on (implicit or explicit) decisions by the government agency. Columns (4) to (6) of Table 2 reports the results. The presidential election year effect becomes smaller (around 3 percent) and remains statistically significant only in the GMM specification. In contrast, partisan effects seem to be highly relevant for the acceptance rate (around percent and highly significant throughout all specifications). Interestingly, the acceptance rate declines with the number of petitions filed. This indicates that the USCIS’s capacity is constrained, as suggested by policy reports and anecdotal evidence (see Section 2.3).

[Table 2 about here.]

To analyze our findings in more detail, we investigate the *dynamics* of an incumbent’s behavior over the course of his term. To this end, we introduce a set of dummy variables, as specified in Equation (2), that allow capturing the behavior of an incumbent of party  $p \in D, R$  in a specific year of the term  $y \in 1, 2, 3, 4$  relative to the behavior of a Republican incumbent in his first term. With this notation, the presidential election occurs during year 4, and the mid-term election during year 2. We start with investigating the dynamics of an incumbent’s behavior with respect to the *number of naturalizations* by state and year. Table 3 displays the results using a pooled OLS (Column (1)), fixed effects estimation (Column (2)), and GMM estimation (Column (3)). The main coefficients of interest, those

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<sup>38</sup>Economic incentives are less of a concern as the impact of naturalization on labor market outcomes is very limited for new citizens who have already been permanent residents for a number of years. For a discussion, see, e.g., Mariani (2013).

pertaining to the set of dummies identifying the incumbent party and the corresponding year of the term, are illustrated in Figure 1(a).<sup>39</sup>

[Table 3 about here.]

[Figure 1 about here.]

As evident from Figure 1(a), the behavior of Democratic incumbents is rather stable throughout the presidential term. According to the FE model, the absolute number of naturalizations under a Democratic incumbent is about 8 to 10 percent higher compared to the first year of a Republican incumbent. With GMM, this finding is less pronounced, with only two coefficients being significant. Under a Republican president, there are considerable variations: the number of naturalizations is highest (7 to 10 percent higher) in the second and fourth years of the term, which correspond to the mid-term election and presidential election, and zero otherwise. In total, our results suggest that Democratic incumbents are associated with high levels of naturalizations throughout the term (constituting the partisan effect). Under Republican incumbents, however, the number of naturalizations only increases during election years (constituting the electoral cycle). In total, Republican incumbents seem to vary their behavior over the course of the term, adjusting naturalization policies in response to the conflicting incentives they face.

While these findings are consistent with a strategic usage of naturalization policies by the incumbent government, the potential contamination by demand-side effects needs to be examined further. Thus, we investigate the dynamics of an incumbent's behavior over the course of the term with respect to the *acceptance rate*. Columns (4) to (6) of Table 3 report the results. The estimates of our main coefficients of interest are illustrated graphically in Figure 1(b). Our estimates indicate that the acceptance rate is higher under Democratic incumbents. Compared to the first year of a Republican incumbent, the acceptance rate is between 6 and 15 percent higher under a Democrat incumbent, which hints at a strong partisan effect stemming from the supply side. Moreover, the increase is strongest during the years that are closer to the next presidential election. In contrast, there is (almost) no variation under a Republican incumbent. Thus the electoral cycle observed for Republican incumbents with regard to the number of naturalizations seems to be driven by demand-side effects.

If the incumbent president (or party) is able to influence naturalization procedures, it is likely that - given the Electoral College - such efforts are focused on politically salient states.<sup>40</sup> To test whether this mechanism partly explains the pattern of naturalization

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<sup>39</sup>The GMM results are robust to the specification of the endogenous variables, instruments, and moment conditions. Moreover, we included a linear time trend, a dummy for the restructuring of U.S. immigration administration after September 11 as well as the stock of immigrants per states and year. All these variants have no qualitative and very little quantitative impact on our results.

<sup>40</sup>Strömberg (2008) shows that the number presidential campaign visits can be explained by the states' number of electoral votes and the election outcome forecasts.

across states (and presidential election years), we split the states in presidential election years into a contested group and a safe group. We rank the states according to their political salience in each presidential election approximated by the number of electoral votes divided by the corresponding (absolute) winning margin and carry the corresponding value forward for the entire term.<sup>41</sup> The *contested* (*safe*) group consists of states in the upper (lower) half of the corresponding distribution. Then, we repeat the estimation procedure for each group.

[Table 4 about here.]

[Figure 2 about here.]

Table 4 reports the estimation results, which are illustrated in Figures 2(a) and 2(b). There is strong evidence that the partisan effect and the electoral cycle in the level of naturalization are mainly driven by contested states (Columns (1) and (2)). Compared to the first year of a Republican incumbent, the number of naturalizations is between 15 and 18 percent larger and statistically highly significant under a Democrat incumbent in the contested group. In the safe states, however, no such effect can be observed. For the Republican incumbents, the differences across the two groups of states are less pronounced. Looking at the acceptance rate, the picture is very similar for the Democratic incumbents, with acceptance rates between 13 percent and 25 percent higher in contested states and zero effects in the safe states. Equally, any effects under Republican incumbents seem to be driven by the contested states. While the partisan effect is highly obvious, the only potential electoral cycle consists in the tendency of a higher acceptance rate under Democratic incumbents as the election year approaches, in particular when comparing the estimated coefficients across the contested and safe states.

There is ample evidence that the voting behavior of naturalized immigrants differs depending on their origin country. Voters originating from Latin America (apart from the Cuban immigrants) strongly favor the Democrats. The democratic advantage of the Democratic candidate among voters of Latin American origin in the presidential elections between 1980 and 2013 ranges from 18 percent to 51 percent.<sup>42</sup> The Republican Party has historically been favored only by those who fled communism during the Cold War, for example, former immigrants from Vietnam and Laos (and Cuba).<sup>43</sup> The Republican Party's vocal anti-communism has been especially attractive to older and first-generation Vietnamese Americans; 51 percent of voters with Vietnamese origin voted for the Republican candidate in the 2008 election.<sup>44</sup> Unfortunately, there is no systematic

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<sup>41</sup>We obtain very similar results when using the value calculated for the next presidential election to define whether a state is contested or safe.

<sup>42</sup>See Lopez and Taylor (2012).

<sup>43</sup>Laos was also affected by the Vietnam War and was under a communist government in the years thereafter.

<sup>44</sup>C.f. Junn *et al.* (2008). For a detailed discussion, see Kuo *et al.* (forthcoming).

evidence over time and the data on naturalizations by origin country are highly limited. We obtained the number of naturalizations for the main source countries only from 1982 onward and no information on the number of applications filed per origin country. Consequently, we focus on two regions of origin (Latin America and Asia) as well as a number of selected countries in the following.

[Table 5 about here.]

[Figure 3 about here.]

[Figure 4 about here.]

The results for the three regions of origin are presented in Table 5, Columns (1) and (2) and graphically illustrated in Figure 3(a). As expected, we find a particularly strong partisan effect for voters of Latin American origin (up to 38 percent more naturalizations under Democratic incumbents), which is much less pronounced or clear-cut for Asian origin voters. At the same time, there is evidence of a substantial presidential election effect under Republican incumbents in all three groups. Columns (3) to (6) of Table 5 and Figures 4(a) and 4(b) show the results for a selected number of origin countries. The results for naturalized immigrants originating from Columbia represents the model case of our analysis with a very strong partisan effect that is present throughout the entire term and an equally strong electoral cycle under Republican incumbents. The outcome is similar for Mexico as the most important origin country for the period considered here. Interestingly, we observe a very different pattern for countries such as Vietnam and Laos where we do not find any evidence of a partisan effect. If anything, there are less naturalizations under Democratic incumbents. This result is consistent with the voting behavior of Vietnamese and Laotian immigrants, who sympathized with the Republican Party for its strictly anti-communist stance.

## 5 Robustness

Immigration policies are expected to play a more important role, and thus also be more affected by electoral incentives, in high immigration states such as California, Florida, and New York. Thus we rank states along the yearly distribution of the stock of immigrants and repeat the estimation once for states in the upper tercile and once those in the lower tercile of this distribution.<sup>45</sup>

[Table 6 about here.]

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<sup>45</sup>When spitting the sample as before, the results are less pronounced.

Table 6 reports the results separately for high and low immigration states. The results indicate that the partisan effect and the electoral cycle in the number of naturalizations are mainly observed in states with a high level of immigration (Columns (1) and (2)). In these states, naturalizations are from 8 to 21 percent higher than in states with less immigration. Equally, the cycle observed for Republican incumbents seems to be a bit more pronounced in the high immigration states. However, when focusing on the acceptance rate (Columns (3) and (4)), the evidence is less clear-cut, especially when the sample is split into two (not shown).

Finally, we test whether our results are driven by exceptional presidencies rather than by the two major U.S. parties in general. For example, the events discussed in Section 2 might suggest that naturalization policies were especially used for electoral purposes by the Clinton Administration. Similar arguments apply to the Reagan Administration. Finally, the only case in our sample where a president did not finish his term was Nixon's second term. To check whether these particular presidencies are crucial for our findings, we estimate our basic specifications while excluding Nixon's second term in office and the entire Reagan and Clinton presidencies. The results, shown in Tables 7 and 8, are very much in line with our previous findings.

[Table 7 about here.]

[Table 8 about here.]

## 6 Conclusion

Naturalization is an important element of U.S. immigration policy, and an issue over which the two major parties are clearly in disagreement. Using a panel of naturalizations in U.S. states from 1965 to 2012, we empirically analyze the impact of presidential elections on the number of migrants acquiring U.S. citizenship. We find a strong presidential election year effect as well as substantial partisan effects. The number of naturalizations is considerably larger in presidential election years and under Democratic presidents. Moreover, the evidence indicates that the partisan effect is mainly driven by politically salient contested states.

Our results strongly suggests that the incumbent president makes use of his power to influence the working of federal (immigration) agencies to improve his chances of reelection. We interpret these effects as the outcome of the incumbent government's efforts to improve its chances of reelection by increasing the number of (likely) supporters. While there is ample evidence of electoral cycle and partisan effects in government spending, this is one of the few papers to provide evidence that governments directly intervene in the working of (federal) agencies for their own purposes. Our findings thus suggest that focusing on de jure institutional provisions, such as existing laws, is not sufficient when analyzing changes in government activities such as immigration policies.

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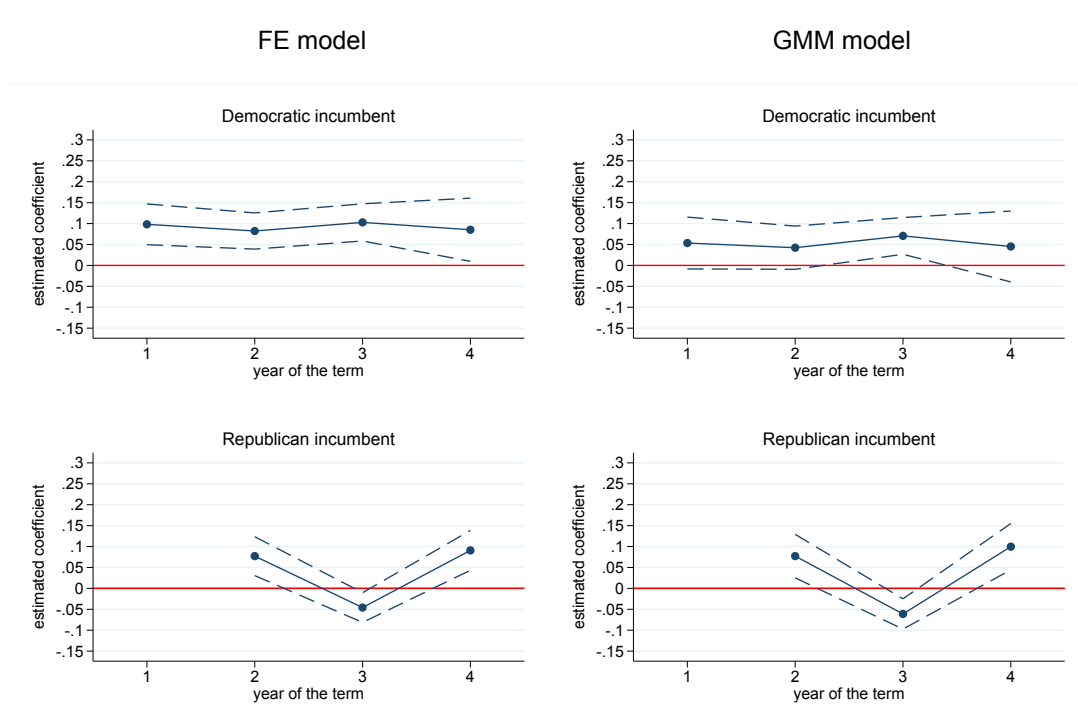
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## List of Figures

1	Dynamics during term . . . . .	22
2	Contested vs. safe states . . . . .	23
3	Region of origin . . . . .	24
4	Country of origin . . . . .	25

## Naturalizations (log)



## Acceptance rate

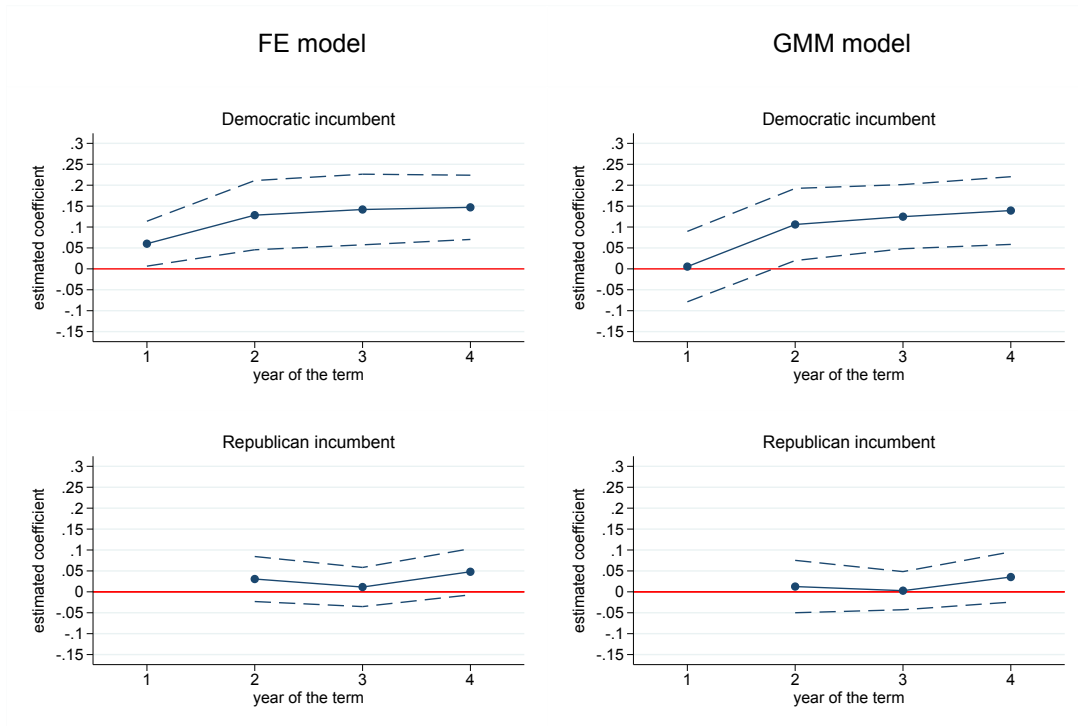
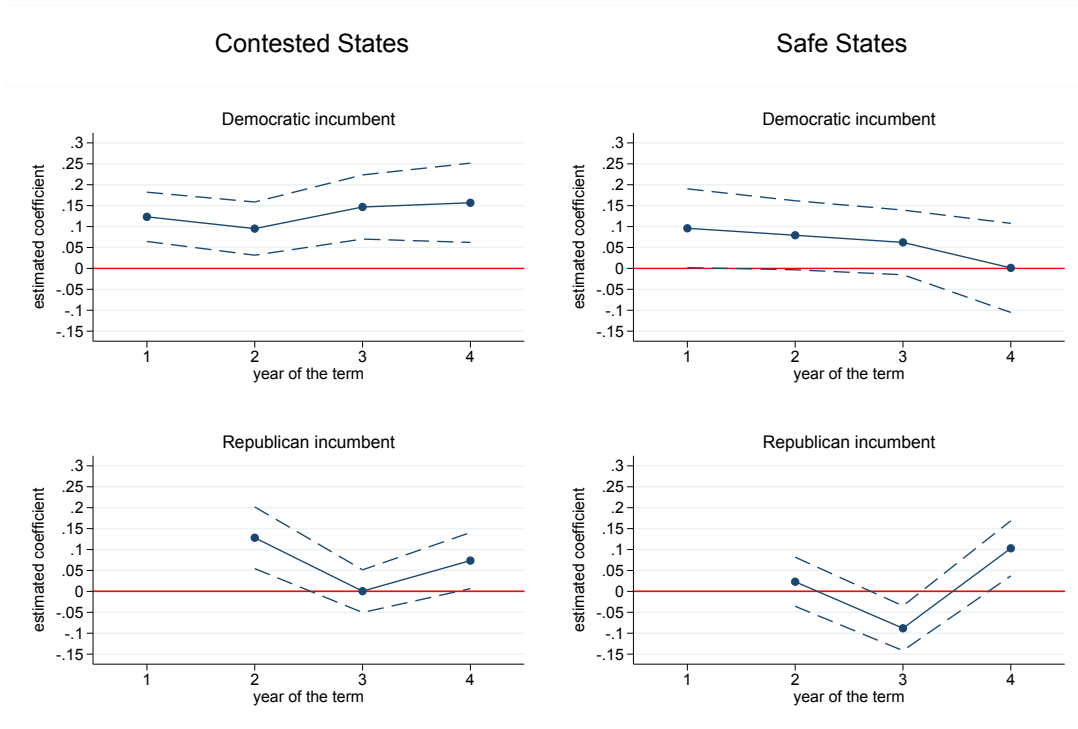


Figure 1: Dynamics during term. FE estimates as outlined in Table 3. Dependent variable: (a) Naturalizations (log); (b) Acceptance rate.

## Naturalizations (log)



## Acceptance rate

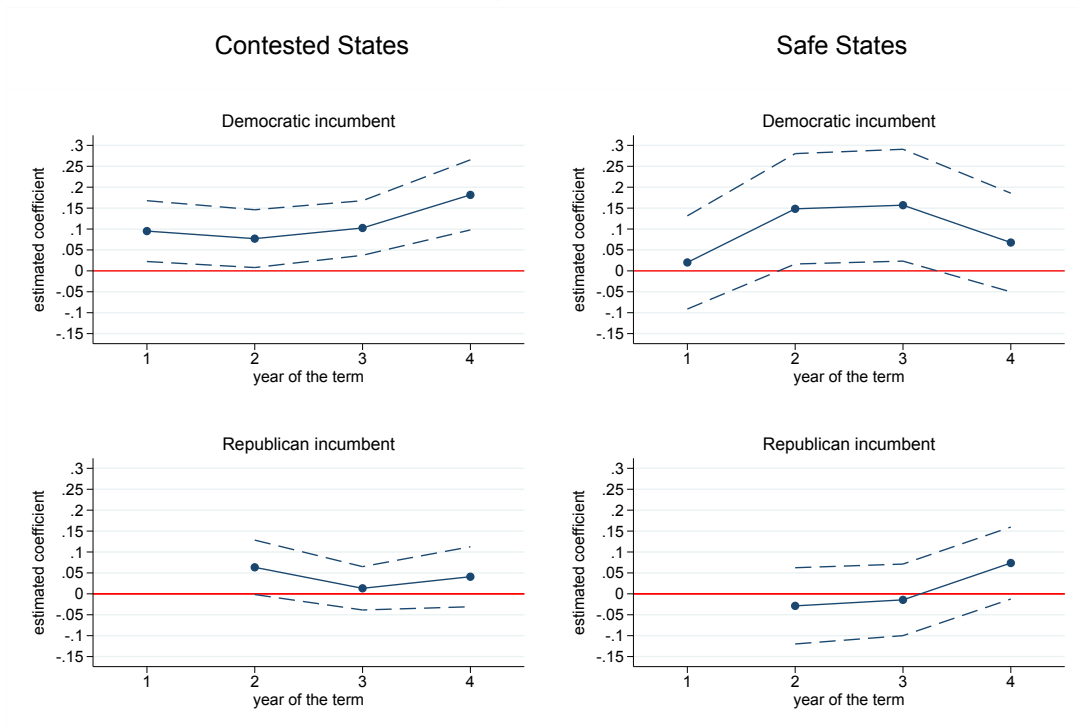


Figure 2: Contested vs. safe states. FE estimates as outlined in Table 4. Dependent variable: (a) Naturalizations (log); (b) Acceptance rate.

## Naturalizations (log)

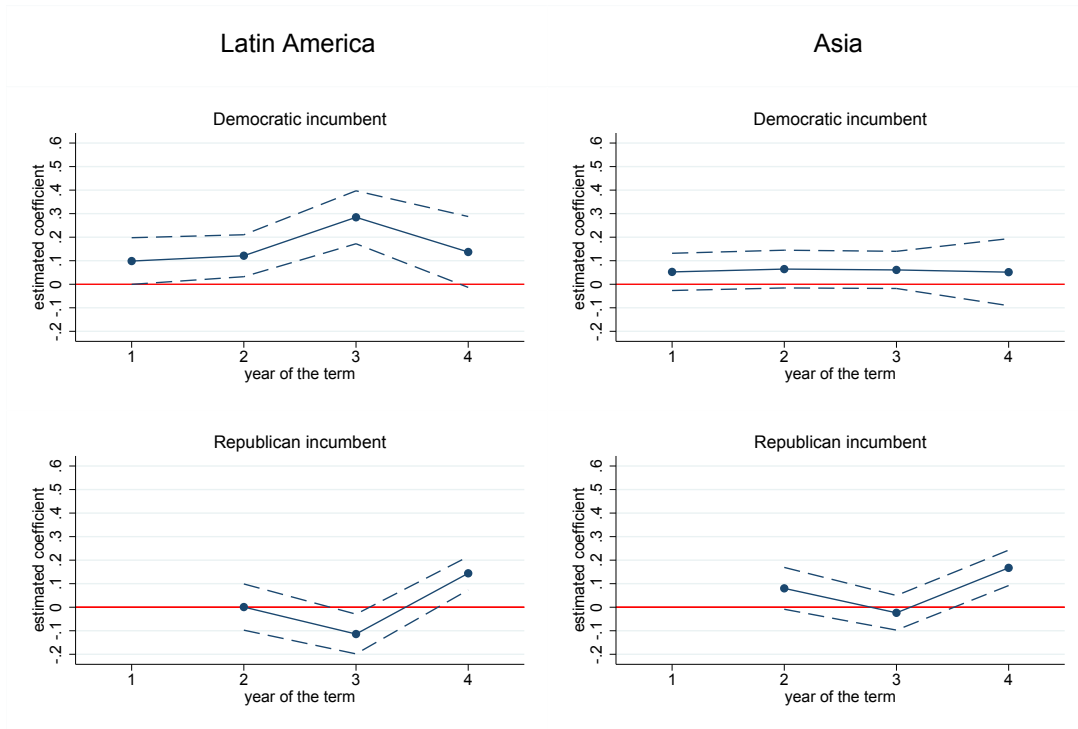
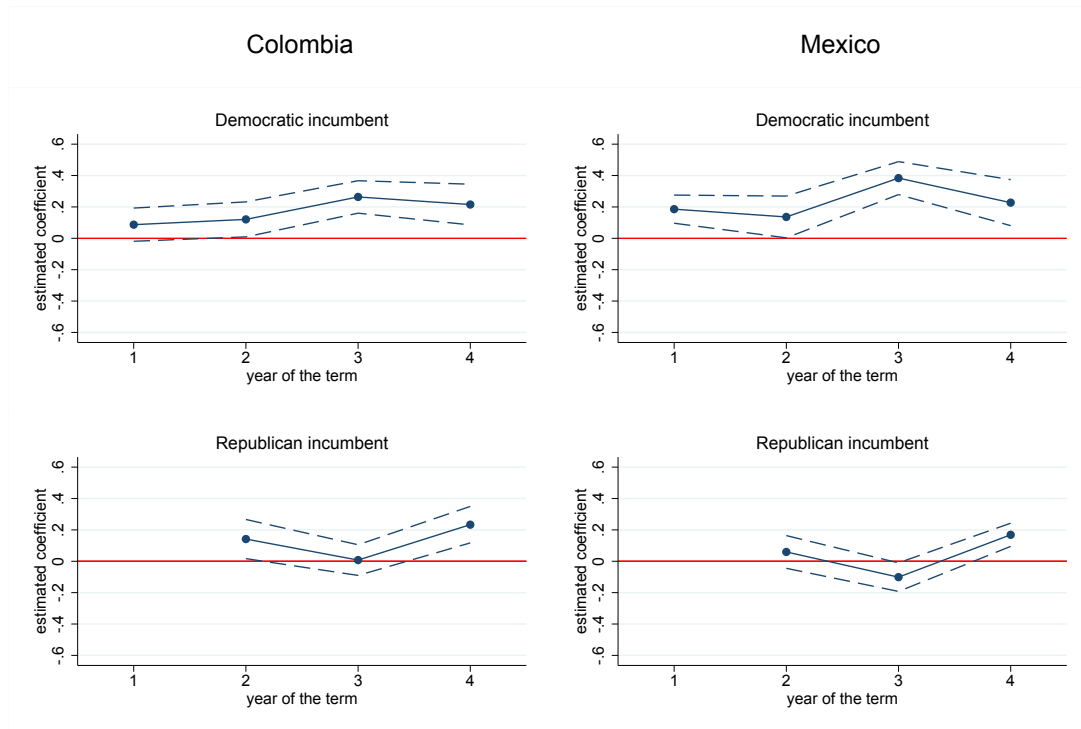


Figure 3: Region of origin from 1982 to 2012. FE estimates as outlined in Table 5. Dependent variable: Naturalizations (log). Latin America includes observations for Cuba, Colombia, the Dominican Republic, El Salvador, Haiti, Jamaica, Haiti, and Mexico. Asia includes observations for China, India, Iran, South Korea, Laos, the Philippines, Taiwan, and Vietnam.

## Naturalizations (log)



## Naturalizations (log)

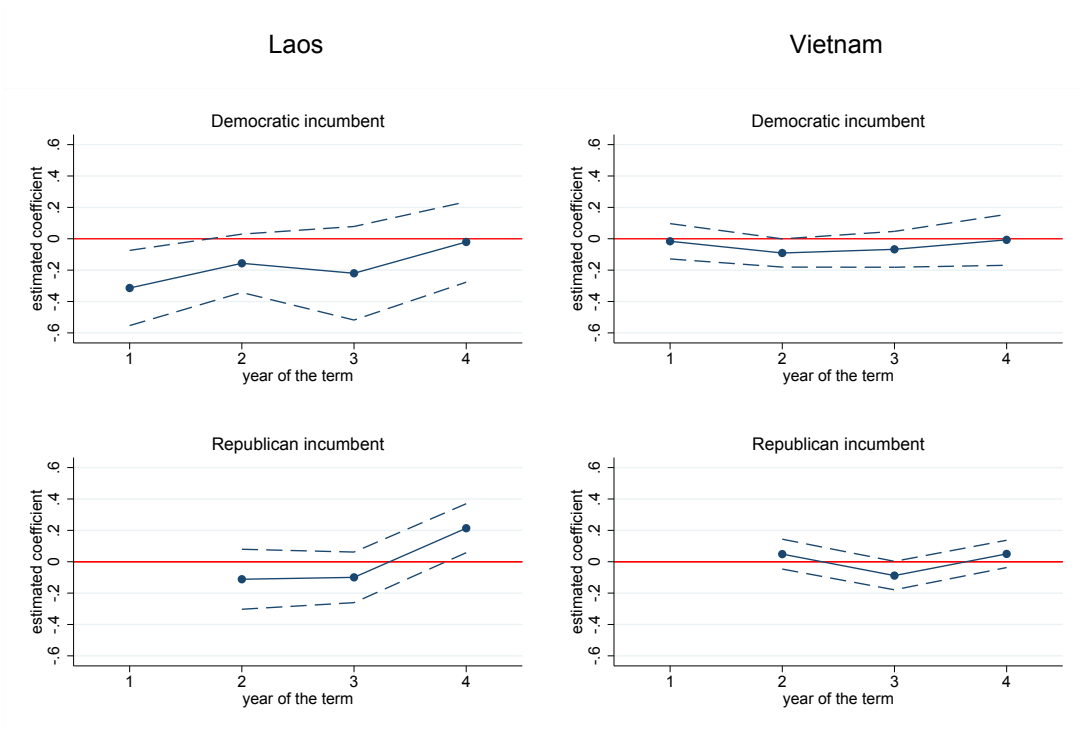


Figure 4: Country of origin from 1982 to 2012. FE estimates as outlined in Table 5.

## List of Tables

1	Descriptive statistics . . . . .	27
2	Basic results . . . . .	28
3	Dynamics during term . . . . .	29
4	Contested vs. safe states . . . . .	30
5	Region and country of origin . . . . .	31
6	High vs. low immigration states . . . . .	32
7	Basic results without Nixon, Reagan, or Clinton . . . . .	33
8	Basic dynamics without Nixon, Reagan, or Clinton . . . . .	34

Table 1: Descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Naturalizations	2265	7484.003	22745.51	50	378014
Acceptance rate	2265	.897	.631	.025	18.037
Pres. elect. year	2265	.242	.429	0	1
Pres. incumb. party	2265	.411	.492	0	1
Democrat in 1st year	2265	.105	.307	0	1
Democrat in 2nd year	2265	.106	.307	0	1
Democrat in 3rd year	2265	.105	.307	0	1
Democrat in 4th year	2265	.095	.294	0	1
Republican in 1st year	2265	.147	.355	0	1
Republican in 2nd year	2265	.147	.354	0	1
Republican in 3rd year	2265	.147	.355	0	1
Republican in 4th year	2265	.147	.354	0	1
First term	2265	.642	.48	0	1
Stock of migrants	2265	456189.1	1113707	7250.8	1.02e+07
Income	2265	23608.56	6181.516	9123.866	46391.57
Population	2265	5212939	5555900	322000	3.80e+07
Urbanization	2265	3974301	4981567	142889	3.54e+07
Education	2265	71.495	13.602	33.05	92.3

Note: U.S. states between 1986 and 2012.

Table 2: Basic results

Dependent variable:	(1)	(2)	(3)	(4)	(5)	(6)
	Naturalizations (log)			Acceptance rate		
Presidential election year	0.0530*** (3.14)	0.0450** (2.28)	0.0498** (2.36)	0.0362 (1.57)	0.0331 (1.46)	0.0354* (1.72)
Presidential incumbent party	0.0371** (2.44)	0.0625*** (4.68)	0.0318** (2.13)	0.105*** (4.80)	0.100*** (3.65)	0.100*** (3.23)
First term	-0.0353** (-2.26)	-0.0581*** (-4.68)	-0.0325*** (-3.00)	-0.158*** (-7.23)	-0.146*** (-6.16)	-0.148*** (-4.28)
Population (log)	0.173*** (10.35)	0.690*** (8.97)	0.321*** (3.68)	0.197*** (8.97)	0.669*** (5.97)	0.181* (1.78)
Income (log)	0.720*** (10.25)	0.831*** (7.18)	0.920*** (4.28)	0.666*** (7.01)	0.631** (2.57)	0.672 (1.55)
Education (log)	-0.130* (-1.77)	0.0520 (0.48)	-0.171 (-0.98)	0.175 (1.58)	0.114 (1.01)	0.148 (0.75)
Eligible immigrants (log)	0.228*** (15.26)	0.153*** (5.52)	0.0793 (1.49)			
Petitions filed total (log)				-0.164*** (-6.75)	0.0302 (0.24)	-0.180** (-1.97)
Petitions filed per state (log)				-0.155*** (-9.59)	-0.424*** (-6.81)	-0.138* (-1.88)
Method	OLS	FE	GMM	OLS	FE	GMM
AB test, 1st	-	-	0.000	-	-	0.058
AB test, 2nd	-	-	0.050	-	-	0.425
AB test, 3rd	-	-	0.347	-	-	0.207
Hansen test	-	-	0.257	-	-	0.169
No. of instruments	-	-	47	-	-	48
Observations	2179	2179	2179	2179	2179	2179

Note: FE: Fixed effects model including a constant term and a set of state-year characteristics. GMM: GMM model (one-step systems GMM model based on Blundell and Bond 1998). Robust standard errors clustered by state. t-statistics reported in parentheses and p-values for the AB and Hansen test. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.



Table 3: Dynamics during term

Dependent variable:	(1)	(2)	(3)	(4)	(5)	(6)
	Naturalizations (log)			Acceptance rate		
Democrat in 1st year	0.0748** (2.28)	0.0983*** (4.06)	0.0535* (1.69)	0.0354 (0.76)	0.0602** (2.26)	0.00543 (0.13)
Democrat in 2nd year	0.0569** (1.97)	0.0822*** (3.83)	0.0423 (1.61)	0.133*** (3.25)	0.128*** (3.12)	0.106** (2.41)
Democrat in 3rd year	0.0803*** (2.78)	0.103*** (4.66)	0.0706*** (3.15)	0.148*** (3.61)	0.142*** (3.38)	0.125*** (3.19)
Democrat in 4th year	0.0579* (1.94)	0.0853** (2.27)	0.0453 (1.05)	0.155*** (3.73)	0.147*** (3.85)	0.139*** (3.38)
Republican in 2nd year	0.0768*** (2.91)	0.0771*** (3.34)	0.0772*** (2.91)	0.0220 (0.60)	0.0306 (1.15)	0.0127 (0.40)
Republican in 3rd year	-0.0557** (-2.11)	-0.0458** (-2.59)	-0.0611*** (-3.31)	0.00993 (0.27)	0.0115 (0.49)	0.00279 (0.12)
Republican in 4th year	0.103*** (3.89)	0.0908*** (3.84)	0.0998*** (3.53)	0.0431 (1.18)	0.0480* (1.75)	0.0354 (1.16)
First term	-0.0393** (-2.50)	-0.0618*** (-4.99)	-0.0343*** (-3.26)	-0.152*** (-6.86)	-0.143*** (-6.30)	-0.143*** (-4.17)
Population (log)	0.170*** (10.24)	0.685*** (8.97)	0.251*** (2.71)	0.196*** (8.94)	0.666*** (5.95)	0.0992 (0.67)
Income (log)	0.704*** (10.08)	0.808*** (7.07)	0.747*** (3.44)	0.662*** (6.96)	0.631** (2.53)	0.477 (0.86)
Education (log)	-0.126* (-1.72)	0.0602 (0.57)	-0.129 (-0.89)	0.186* (1.68)	0.130 (1.13)	0.165 (0.83)
Eligible immigrants (log)	0.225*** (15.15)	0.151*** (5.53)	0.0882 (1.59)			
Petitions filed total (log)				-0.163*** (-6.71)	0.0244 (0.20)	-0.181** (-2.02)
Petitions filed per state (log)				-0.154***	-0.420***	-0.0675
Method	OLS	FE	GMM	OLS	FE	GMM
AB test, 1st	-	-	0.000	-	-	0.068
AB test, 2nd	-	-	0.043	-	-	0.424
AB test, 3rd	-	-	0.359	-	-	0.180
Hansen test	-	-	0.231	-	-	0.082
No. of instruments	-	-	48	-	-	49
Observations	2179	2179	2179	2179	2179	2179

Note: FE: Fixed effects model including a constant term and a set of state-year characteristics. GMM: GMM model (one-step systems GMM model based on Blundell and Bond 1998). Robust standard errors clustered by state. t-statistics reported in parentheses and p-values for the AB and Hansen test. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

Table 4: Contested vs. safe states

Dependent variable:	(1)	(2)	(3)	(4)
	Naturalizations (log)		Acceptance rate	
	Contested state	Safe state	Contested state	Safe state
Democrat in 1st year	0.123*** (4.22)	0.0960** (2.06)	0.0951** (2.64)	0.0201 (0.36)
Democrat in 2nd year	0.0952*** (3.02)	0.0793* (1.94)	0.0770** (2.25)	0.148** (2.27)
Democrat in 3rd year	0.147*** (3.86)	0.0622 (1.62)	0.103*** (3.17)	0.157** (2.37)
Democrat in 4th year	0.157*** (3.34)	0.00128 (0.02)	0.182*** (4.37)	0.0678 (1.16)
Republican in 2nd year	0.128*** (3.51)	0.0231 (0.79)	0.0634* (1.96)	-0.0287 (-0.64)
Republican in 3rd year	0.000551 (0.02)	-0.0882*** (-3.33)	0.0133 (0.52)	-0.0143 (-0.34)
Republican in 4th year	0.0736** (2.21)	0.103*** (3.15)	0.0409 (1.15)	0.0737* (1.73)
First term	-0.0550** (-2.56)	-0.0483** (-2.59)	-0.123*** (-4.57)	-0.128*** (-4.18)
Eligible immigrants (log)	0.170*** (4.15)	0.131*** (3.60)		
Petitions filed total (log)			-0.0651 (-0.91)	0.102 (0.63)
Petitions filed per state (log)			-0.493*** (-7.30)	-0.334*** (-4.73)
Observations	1096	1083	1096	1083

Note: FE: Fixed effects model including a constant term. Further time-varying control variables included as in Table 2. Robust standard errors clustered by state. t-statistics reported in parentheses. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

Table 5: Region and country of origin

	(1) Lat. Am.	(2) Asia	(3) Colombia	(4) Mexico	(5) Vietnam	(6) Laos
Democrat in 1st year	0.0987* (2.00)	0.0526 (1.34)	0.0870 (1.65)	0.186*** (4.16)	-0.314** (-2.63)	-0.0160 (-0.29)
Democrat in 2nd year	0.121*** (2.74)	0.0645 (1.62)	0.121** (2.18)	0.136** (2.06)	-0.156* (-1.69)	-0.0906** (-2.03)
Democrat in 3rd year	0.285*** (5.09)	0.0610 (1.55)	0.264*** (5.13)	0.384*** (7.36)	-0.220 (-1.48)	-0.0672 (-1.18)
Democrat in 4th year	0.137* (1.83)	0.0514 (0.73)	0.215*** (3.34)	0.227*** (3.12)	-0.0205 (-0.16)	-0.00680 (-0.08)
Republican in 2nd year	0.000725 (0.01)	0.0803* (1.82)	0.142** (2.28)	0.0594 (1.15)	-0.112 (-1.17)	0.0486 (1.03)
Republican in 3rd year	-0.114*** (-2.72)	-0.0236 (-0.65)	0.00766 (0.16)	-0.101** (-2.23)	-0.0995 (-1.24)	-0.0882* (-1.96)
Republican in 4th year	0.144*** (4.09)	0.167*** (4.48)	0.233*** (4.04)	0.169*** (4.60)	0.214*** (2.76)	0.0499 (1.15)
First term	-0.154*** (-4.86)	-0.0922*** (-3.86)	-0.0361 (-1.38)	-0.276*** (-6.56)	-0.138*** (-2.88)	-0.179*** (-5.76)
Eligible immigrants (log)	0.240*** (3.45)	-0.0442 (-0.59)	0.0222 (0.27)	0.271*** (3.11)	0.125 (1.56)	0.259*** (2.94)
Observations	1229	1229	1139	1205	550	1162

Note: FE: Fixed effects model including a constant term. Further time-varying control variables included as in Table 2. Robust standard errors clustered by state. t-statistics reported in parentheses. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

Table 6: High vs. low immigration states

Dependent variable:	(1)	(2)	(3)	(4)
	Naturalizations (log) High immi- gration states	Low immi- gration states	Acceptance rate High immi- gration states	Low immi- gration states
Democrat in 1st year	0.0984* (1.73)	0.142*** (2.83)	0.176*** (2.96)	0.0614 (0.93)
Democrat in 2nd year	0.0984** (2.45)	0.0157 (0.40)	0.120*** (3.18)	0.000812 (0.03)
Democrat in 3rd year	0.201*** (5.60)	0.0112 (0.29)	0.190*** (4.47)	-0.00946 (-0.40)
Democrat in 4th year	0.119 (1.62)	0.0439 (0.98)	0.236*** (3.71)	0.0365 (0.99)
Republican in 2nd year	0.0998** (2.23)	0.0503* (1.95)	0.0782* (1.84)	0.0141 (0.57)
Republican in 3rd year	-0.0361 (-1.17)	-0.0602 (-1.48)	0.0144 (0.45)	0.0158 (0.26)
Republican in 4th year	0.142*** (3.44)	0.0198 (0.64)	0.187*** (4.35)	-0.0832*** (-3.17)
First term	-0.0502* (-1.84)	-0.0851*** (-4.68)	-0.148*** (-4.81)	-0.0414** (-2.23)
Eligible immigrants (log)	0.126** (2.08)	0.219*** (2.92)		
Petitions filed total (log)			-0.0911 (-1.26)	-0.0422 (-0.60)
Petitions filed per state (log)			-0.552*** (-7.36)	-0.374*** (-3.66)
Observations	762	758	762	758

Note: FE: Fixed effects model including a constant term. Further time-varying control variables included as in Table 2. Robust standard errors clustered by state. t-statistics reported in parentheses. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

Table 7: Basic results without Nixon, Reagan, or Clinton

Dependent variable:	(1)	(2)	(3)	(4)	(5)	(6)
	Naturalizations (log)			Acceptance rate		
	w/o Nixon	w/o Reagan	w/o Clinton	w/o Nixon	w/o Reagan	w/o Clinton
Presidential election year	0.0423** (2.10)	0.0452** (2.18)	0.0585*** (3.54)	0.0304 (1.31)	0.0548** (2.15)	0.00842 (0.49)
Presidential incumb. party	0.0602*** (4.33)	0.0621*** (5.18)	0.0989*** (8.29)	0.0989*** (3.43)	0.0861*** (3.85)	0.0710*** (5.95)
First term	-0.0592*** (-4.59)	-0.0787*** (-5.33)	-0.114*** (-9.14)	-0.150*** (-6.58)	-0.199*** (-6.65)	-0.125*** (-7.28)
Eligible immigrants (log)	0.149*** (5.26)	0.168*** (6.22)	0.188*** (6.14)			
Petitions filed total (log)				0.0330 (0.25)	0.0110 (0.08)	-0.0721 (-1.29)
Petitions filed per state (log)				-0.435*** (-6.72)	-0.420*** (-6.89)	-0.405*** (-6.96)
Observations	2087	1801	1849	2087	1801	1849

Note: The specification without Nixon excludes his second term (1973 and 1974), the specification without Reagan 1981 to 1988 and the specification without Clinton 1993 to 2000. Fixed effects model including a constant term. Further time-varying control variables included as in Table 2. Robust standard errors clustered by state. t-statistics reported in parentheses. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

Table 8: Basic dynamics without Nixon, Reagan, or Clinton

Dependent variable:	(1)	(2)	(3)	(4)	(5)	(6)
	Naturalizations (log)			Acceptance rate		
	w/o Nixon	w/o Reagan	w/o Clinton	w/o Nixon	w/o Reagan	w/o Clinton
Democrat in 1st year	0.0965*** (3.85)	0.138*** (5.04)	0.158*** (5.16)	0.0573** (2.11)	0.101*** (3.34)	0.115*** (3.29)
Democrat in 2nd year	0.0788*** (3.30)	0.115*** (5.35)	0.127*** (5.28)	0.122** (2.61)	0.159*** (3.42)	0.0960*** (3.81)
Democrat in 3rd year	0.0998*** (4.39)	0.136*** (6.12)	0.124*** (6.86)	0.136*** (2.93)	0.172*** (3.89)	0.0844*** (4.82)
Democrat in 4th year	0.0825** (2.11)	0.115*** (3.00)	0.138*** (6.01)	0.140*** (3.54)	0.172*** (4.23)	0.0737*** (3.60)
Republican in 2nd year	0.0889*** (3.38)	0.0977*** (3.46)	0.0839*** (3.62)	0.0273 (0.98)	0.0510* (1.75)	0.0350 (1.68)
Republican in 3rd year	-0.0489*** (-2.70)	0.0230 (1.03)	-0.0390** (-2.22)	0.00490 (0.22)	0.0816*** (2.74)	0.00345 (0.14)
Republican in 4th year	0.0869*** (3.47)	0.138*** (5.49)	0.0969*** (4.13)	0.0412 (1.38)	0.127*** (3.15)	0.0344 (1.56)
First term	-0.0594*** (-4.61)	-0.0882*** (-6.02)	-0.120*** (-9.42)	-0.145*** (-6.52)	-0.204*** (-6.80)	-0.130*** (-7.64)
Eligible immigrants (log)	0.148*** (5.28)	0.169*** (6.26)	0.187*** (6.08)			
Petitions filed total (log)				0.0281 (0.22)	-0.00215 (-0.02)	-0.0708 (-1.26)
Petitions filed per state (log)				-0.431*** (-6.70)	-0.418*** (-6.94)	-0.410*** (-6.95)
Observations	2087	1801	1849	2087	1801	1849

Note: The specification without Nixon excludes his second term (1973 and 1974), the specification without Reagan 1981 to 1988 and the specification without Clinton 1993 to 2000. Fixed effects model including a constant term. Further time-varying control variables included as in Table 2. Robust standard errors clustered by state. t-statistics reported in parentheses. Significance levels: \*\*\* 1%; \*\* 5%; \* 10%.

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