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Divided Government and Polarization: Regression-Discontinuity Evidence from US States

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Divided Government and Polarization: Regression-Discontinuity Evidence from US States

Abstract

This paper studies how divided government – arising when control of the government branches is split between parties – affects the polarization of the legislature and policy implementation. Using data on electoral and legislative outcomes for US states and a regression-discontinuity design, we show that Republican state senators are substantially more polarized when they serve in a divided government than they are in a fully unified government. We find similar but smaller effects for Democrats. In addition, governors facing an opposing, united legislature veto more bills, and have more of these overridden. However, in terms of policy implementation, we find evidence of moderation: when a unified Republican government loses a chamber or the governor to the Democratic party, the implemented legislation becomes much more liberal. Correspondingly, when Democrats lose unified control, policies become more conservative. These results suggest that divided government creates incentives for legislators to polarize knowing they will need to compromise in order to obtain their preferred policy.

JEL-Codes: H100, H700, R500.

Keywords: divided governments, polarization, policy liberalism, regression-discontinuity design, US state governments.

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1. Introduction

Divided governments have become increasingly common over the past few decades in the US, both at federal and state level. Legislative polarization may increase because, when control of the legislature is split, chamber and committee-level agenda setters are from opposing parties. While divided government may make gridlocks more likely (Sundquist, 1988; Coleman, 1999), it also creates incentives for bipartisan cooperation (Trubowitz and Mellow, 2005), so that its effect on the political agenda, and ultimately policy, is unclear.

Previous research has found somewhat mixed results. On the one hand, some empirical studies suggest that split control harms the correct functioning of the government, by lowering legislative productivity (although not all agree, see, e.g., Mayhew 2005; Binder 2004; Kirkland and Phillips 2020 and references therein), delaying budget approval (Klarner, Phillips and Muckler, 2012; Kirkland and Phillips, 2018) and reducing governments' ability to react to economic shocks (Alt and Lowry, 1994). Others, instead, find positive effects, with divided governments being more likely to implement important legislation, such as welfare and civil service reforms (Bernecker, 2016; Ash, Morelli and Vannoni, 2020).

One possible explanation for why previous work presents seemingly conflicting evidence could be that providing credible exogenous variation in divided control is challenging. This paper aims to contribute to this debate by providing causal evidence on the effects of divided government on legislators' ideological positions and on the content of the policies that are implemented. We start by asking whether serving under a divided government affects legislators' ideological stance and the polarization of the legislature as a whole. Then, we study the effect of divided government on policy implementation by considering its impact on a set of measures of policy liberalism and on the conflict between governors and the legislature.

Our identification strategy relies on a regression-discontinuity design with close elections. To implement it, we collect electoral information on all US state governments and legislators for the period 1950-2018, integrated with several measures of ideology, polarization, and policy liberalism scores from previous studies (e.g., Shor and McCarty 2011; Grumbach 2018; Caughey and Warshaw 2015). Finally, this information is complemented with measures of inter-branch conflict, such as the number of vetoes issued by the governor and those overridden by the legislature.

Because different cases can arise – depending, for instance, on which party has the governor, or whether the legislature is divided or not – we will provide estimates separately for each type of divided government (inter-branch or intra-branch), and for both parties (Republican or Democratic). We show that standard regression-discontinuity techniques can be readily adapted to study heterogeneous effects in this setting and document substantial differences in the estimates across parties and types of divided government.

Our first result is that, compared to a fully unified government, in a divided government legislators' ideological stances move towards the extremes. Specifically, we find a sizeable effect for Republican state senators who become substantially more conservative when their party loses control of the senate or the governor to the Democrats. We document a similar but smaller shift for Democratic senators, who move towards more liberal positions, while

there appears to be little evidence of an effect for house members of either party. These results contribute to the vast literature on the causes of political polarization in the US and elsewhere and lend support to previous work documenting that the observed secular increase in polarization is mainly due to Republicans shifting to the ideological right (McCarty, 2019). We provide additional evidence to this debate by showing that divided government affects political polarization and may, therefore, be an important driver of this trend.

We then move on to study whether these large shifts in the ideological positions of legislators have an effect on actual policy implementation by estimating our regression-discontinuity model using different policy liberalism scores, which measure how liberal (or conservative) the bills passed in each state are in each year. Irrespective of the measure used, we find that when Republicans lose a chamber or the governor, the implemented policies become more liberal. Correspondingly, when Democrats give up one chamber or the governor to Republicans, policies become substantially more conservative.

Finally, we ask whether divided control increases conflict between the governor and the legislature. Governors of either party facing a legislature fully controlled by the opposing party issue substantially more vetoes than in the unified case. No effect is found, instead, when the control of the legislature is split. These results are in line with previous descriptive and regression evidence finding positive association between divided government and interbranch conflict (Herzik and Wiggins, 1989; Klarner and Karch, 2008).

Our results show that under divided governments legislators move towards more ideologically polarized positions but, at the same time, implemented policies converge towards moderation. This moderation may be the consequence of institutional "checks and balances" – such as the possibility of a divided government and the governor's veto – which are in place in the US and in other countries and create incentives for intra-party cooperation. Knowing they will have to compromise, in order to obtain their desired policy outcome, parties have incentives to run on more polarized platforms than they would if they had full control (Alesina and Rosenthal, 2000). This mechanism may help reconcile the apparently contrasting results found in earlier empirical work, which finds that while divided governments may lead to inter-branch conflict and a more difficult legislative process, they are often rather successful in implementing important, bipartisan reforms (see, e.g., Bernecker 2016 and Ash, Morelli and Vannoni 2020).

This paper contributes to the literature studying political polarization in the US and elsewhere. Scholars debate on how much of the increase in polarization is due to replacement of moderate legislators with more extreme ones or, rather, to legislators become more conservative (or liberal) during their career (a phenomenon called *adaptation*, see Theriault 2006). McCarty (2019) shows that most of the political elite polarization observed at both at the national and state level is due to Republicans and Democrats representing similar districts in a different way (*divergence*). While he suggests changes in social and economic factors – especially inequality – are at play, others have emphasized other drivers, such as the role of party discipline (Canen, Kendall and Trebbi, 2021) and changes in the agenda (Lee, 2008). Our results show that legislators can indeed alter their ideological positions during their

careers in a way that leads to more polarized legislatures, and that divided government is an important driver of this change.

Our paper also relates to the vast literature in political science and political economy on the effects of divided governments. Previous studies, usually relying on regression or panel-data methods, investigate how divided governments affect, e.g., the probability of a late budget approval (Klarner, Phillips and Muckler, 2012; Andersen, Lassen and Nielsen, 2012; Kirkland and Phillips, 2018), legislative productivity (Mayhew, 2005; Binder, 1999), policy (Alt and Lowry, 1994), and the likelihood of passing reforms (Bernecker, 2016). We provide causal evidence that divided governments are important drivers of polarization and increase conflict between the executive and the legislative branches. We also relate to earlier findings that voters sometimes seek "ideological balancing" by voting a President of a party other than the governor's (Erikson, Folke and Snyder Jr, 2015). Our results lend some support to this hypothesis by showing that, compared to unified governments, divided governments implement less ideologically charged policies.

2. Institutional background and data

The US state governments

In US state governments, the executive power is held by the governor, directly elected, while two chambers exercise the legislative power: the House (or State Assembly) and the senate.¹ State governments' main responsibilities are domestic, including taxation, local law enforcement, health care, education and infrastructure.

Governors hold significant power. Besides being in charge of the executive power, they are responsible for preparing the state budget for the approval by the state legislature. They can also veto bills approved by the legislature, either partially or entirely, which gives them some agenda-setting power. All states allow governors to veto bills, and some also allow for partial ("line") vetoes, where only specific sections of a bill are removed. The total number of vetoes issued by a governor during office is, in part, due to institutional rules and conventions but is also a reflection of the conflict between branches of government. As an example, in 2019 (under a divided government) the Republican governor of New Hampshire, Chris Sununu, issued 54 vetoes.² That was more than 7 times the combined amount issued during his first 2 years of tenure under unified Republican government. His critics called the measures "childish" while Sununu defended his position as a "counterweight to Democratic extremists".³ Vetoes can be overridden by a qualified majority of the legislature, although legislative override rules vary by state (CSG, 2020).

Governors are elected for a period of four years, with the exception of Vermont and New Hampshire, where terms are limited to two years (Klarin, 2019). In all states but Virginia, governors can run for re-election after their first term, although most states have a term

¹The only exception is Nebraska, where the legislative branch consists of a unicameral non-partisan body. Given its non-partisanship, we exclude Nebraska of our analysis.

²Source: Legiscan https://legiscan.com/NH/legislation/2017?status=vetoed

³See https://www.concordmonitor.com/Sununu-embraces-vetoes-in-first-year-of-divided-government-27147372

limit of two periods. Although third party candidates sometimes run for office, in the vast majority of cases the elected governor is either a Democrat or a Republican. In fact, since 1940, only eight governors have been elected from a third party or identify as independent.⁴

The state legislature has legislative responsibilities at the state level comparable, to some extent, to those of the US Congress at the national level. Legislatures are separate, coequal branches of government that function independently from the governor, and work as a system of checks and balances for the executive, while being in charge of the legislative process. Chambers are composed of representatives – each representing a local district – usually elected in single-district first-past-the-post elections.⁵ Third party candidates are relatively common but rarely win any seat.⁶ Most houses hold elections every two years, while senates generally hold them every four.

A divided government occurs when one party controls the governor while the other party has a majority in at least one of the two chambers. Conversely, a unified government occurs when the same party holds the governor's office and the majority of seats in both chambers. Because legislative and gubernatorial elections are sometimes on different schedules, a change from unified to divided government (or vice-versa) may occur in the middle of a term.

Data and descriptive statistics

Our main dataset is a yearly panel of US states covering the years 1950-2018. Information on electoral results, including seat shares is gathered from the *State Partisan Balance Data* (Klarner, 2013). We update this source with information for recent years using data from the National Conference of State Legislatures and the Atlas of US Elections (Leip, 2022).⁷

Using this information, we construct indicators for each possible configurations of divided government, taking value one if a state has a divided government of a specific kind in a given year, and 0 otherwise. A government is defined to be divided if the control of the executive and at least one of the legislative branches is split among parties. From 1950 to 2018, 43 percent of state governments were divided, with all states experiencing at least one instance of divided governments in the sample. From the 1950s to the mid 2000s there was a positive trend, from about 30% to 55% at the end of the period, making divided government an increasingly likely event. After the 2010 "Republican Wave" elections – where in one cycle 19 out of 88 chambers changed control – the trend was interrupted and the fraction of divided governments decreases and then rebounded recently.

Our main measures of state legislators' ideology and polarization of the legislature are constructed using data from Shor and McCarty (2011), who combine roll-call voting records and answers to the National Political Awareness Test (NPAT) questionnaire to construct

⁴We exclude these cases from our analysis.

⁵The exceptions are Arizona, Idaho, Maryland, New Jersey, North and South Dakota, Vermont, Washington and West Virginia, which use some form of multi-member district for some or all of their districts.

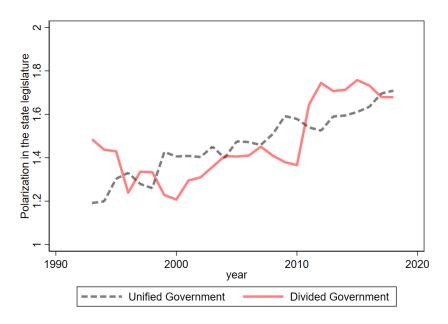
⁶For the purpose of our study, we consider any third party representative as opposition.

⁷Please refer to Table D.5 in the Appendix for a detailed description of data sources and time coverage.

individual ideology scores for all state legislators. The scores are available for the period 1995-2018. Negative scores identify more liberal positions while positive ones identify more conservative ideology. In our legislator-level analysis, we will use legislators ideology scores as our dependent variable of interest. Since ideology scores are time-invariant for each legislator, identification of the effect of divided government on ideology relies on comparing legislators who served for a longer or shorter period under a divided government.

Following Hicks (2015), we measure polarization at the state legislature level as the distance, in each state and year, between the ideology of the median Democratic legislator and the median Republican legislator (again using Shor and McCarty 2011's measures), averaged across chambers. In Figure 1, we plot the evolution of this variable over time, separately by divided government status. Polarization has been steadily rising over the past decades, with divided governments becoming somewhat more polarized than unified ones.

Figure 1
Evolution of polarization in US state legislatures by divided government status



Notes: Evolution of polarization in US state legislature over time. Polarization is measured as the distance in party medians of Republican and Democratic legislators' ideology, averaged across chambers. Source: authors' calculations using data from Shor and McCarty (2011).

As an additional measure of legislative ideology, we use Berry et al. (2010) state legislature ideology scores. The scores are available for 1960-2017, a longer period than our main measure, and range from 0 (most conservative) to 100 (most liberal). The fact that they are only available at the state level and not for individual legislators prevents us from studying the effect separately by party. Hence, we use them only for robustness analysis, in Section 5.

To estimate the effect on policy implementation, we use the state-level policy liberalism score constructed by Caughey and Warshaw (2015), as well as three alternative measures by Grumbach (2018). These scores use information on a variety of policies in different areas and summarize in a single index, for each state and year, how liberal or conservative the

policies implemented were. The original scores, taking on negative values for liberal policies to positive values for conservative policies, are standardized to have mean zero and unit variance in each state.

To measure legislative productivity and conflict between governor and legislature, we use information on the number of bills introduced or enacted by the legislature each year; bills vetoed by the governor; and vetoed bills overridden by the legislature, taken from Hicks (2015) for the period 1991-2009. We complement and extend this data until 2018 using information from Legiscan and the Book of the States.⁸

We provide descriptive statistics in Table 1, separately by the party of the governor and divided government status. Unified governments are the most common ones, with Democratic ones accounting for 33% of the legislative terms and Republican ones for 23%. Nonetheless, divided governments are common, both with Republican (24%) and Democratic (20%) governors. As expected, measures of ideology correctly capture the large differences between Republican (having positive values) and Democratic (having negative values) representatives. Republicans also tend to be slightly more ideologically conservative when the government is unified. Democratic governors have much more liberal positions than their Republican counterparts, as measured by Berry et al. (2010)'s state government ideology score but, interestingly, the difference between the two parties reduces substantially when the governments are divided.

In terms of legislative activity, there are some differences across parties and divided government status. Legislatures with divided governments appear to approve less bills although the number of introduced bills is comparable or even greater than under a unified government. Republican governors tend to veto bills more often when the government is divided, although these average differences should be interpreted with caution because they are likely to be affected by the large variation across states in the number of vetoes. In terms of policy liberalism, we can see that divided governments generally implement more moderate policies. The last panel of Table 1 reports information for individual legislators. Most are very experienced, with on average of over 10 years in office, and have served in a divided government at least once.

 $^{^8\}mbox{We}$ exclude partial or line vetoes as these are only possible in certain states.

⁹For the purpose of comparability across states, in the regression-discontinuity analysis that follows, we standardize all outcome variables by state by removing the mean and dividing by the standard deviation.

TABLE 1
DESCRIPTIVE STATISTICS BY PARTY AND DIVIDED GOVERNMENT STATUS

	Unified D. governor	Unified R. governor	Divided D. governor	Divided R. governor
A. State and electoral charact.				
Population (x1000)	5624.40 (6469.80)	5650.66 (6003.62)	4971.88 (4733.21)	6322.94 (6927.66)
Income p.c. (x1000 USD)	20.19 (9.38)	24.88 (8.16)	23.39 (9.09)	23.10 (9.61)
Dem. vote margin (governor)	0.26 (0.27)	-0.17 (0.15)	0.14 (0.13)	-0.13 (0.13)
Dem. seat margin (senate)	0.56 (0.30)	-0.35 (0.20)	-0.18 (0.22)	0.25 (0.28)
Dem. seat margin (house)	0.53 (0.30)	-0.32 (0.20)	-0.13 (0.24)	0.25 (0.24)
B. Partisanship and polarization				
Dem. mean ideology (senate)	-0.82 (0.41)	-0.77 (0.34)	-0.83 (0.34)	-0.75 (0.42)
Rep. mean ideology (senate)	0.67 (0.37)	0.80 (0.23)	0.72 (0.30)	0.59 (0.34)
State govt. ideology	62.91 (5.96)	31.02 (7.52)	53.67 (7.13)	47.70 (6.43)
C. Policy				
Introduced bills	2447.53 (1885.42)	1559.17 (1319.65)	2007.11 (2552.89)	2784.66 (2811.24)
Enacted bills	512.25 (354.22)	558.86 (595.18)	408.45 (386.61)	500.16 (438.39)
Full vetoes	22.84 (42.65)	11.32 (33.76)	14.81 (28.71)	33.82 (62.03)
Veto overrides	0.69 (3.19)	0.91 (4.02)	0.53 (1.67)	2.17 (7.51)
Policy liberalism score (std.)	0.25 (0.92)	-0.40 (0.99)	-0.12 (0.89)	0.07 (0.97)
Observations	1,043	712	648	762

Notes: Quantities are averages over all years, with sample restricted as specified in the column header. Standard deviations reported in parenthesis. The measures for senate Democrats and Republicans mean ideology is calculated as the mean of the ideology scores of senators by party affiliation and state, using Shor and McCarty (2011) scores. The measure ranges from -1 (most liberal) to 1 (most conservative). State government ideology ranges from 0 (most conservative) to 100 (most liberal) and is taken from Berry et al. (2010). Introduced bills measures the number of bills introduced for consideration by year and state, while enacted bills measures the number of bills approved by the legislature (Hicks, 2015). Full vetoes measures the number of bills approved by the legislature but vetoed by the governor. Policy liberalism score measures how liberal policies implemented in a given year are. The original score, taken from Caughey and Warshaw (2015), ranges from -1 (most liberal) to 1 (most conservative) has been standardized by state to have mean 0 and unit variance.

Table 1
Descriptive Statistics by party and divided government status (continued)

	Unified	Unified	Divided	Divided
	D. governor	R. governor	D. governor	R. governor
D. Individual legislators				
N. years in office	11.46	10.32	10.56	11.80
	(5.95)	(5.86)	(5.84)	(6.16)
First year in office	2001.06	2003.13	2001.83	1999.39
	(6.30)	(7.09)	(6.60)	(5.98)
Ever in a div.govt.	0.76 (0.43)	0.44 (0.50)	1.00 (0.00)	1.00 (0.00)
First year in a div.govt.	2002.90	2002.82	2003.12	2000.30
	(6.69)	(5.69)	(6.57)	(6.43)
N. years in div.govt.	4.34	2.38	6.40	7.81
	(4.10)	(3.43)	(3.71)	(4.08)
Ideology Score	-0.28 (0.88)	0.27 (0.84)	0.06 (0.89)	-0.25 (0.84)
Senator	0.26 (0.44)	0.27 (0.44)	0.24 (0.43)	0.27 (0.44)
Observations	35,358	51,408	34,083	41,375

Notes: Quantities are averages over all legislators (house and senate) and years, with sample restricted as specified in the column header. Ideology score is the individual-level measure constructed by Shor and McCarty (2011). Standard deviations reported in parenthesis.

3. Empirical specification

In a two-party system with a governor and two chambers, 8 electoral outcomes are possible. Two of these give rise to a unified government, either Republican, which we denote RRR, or Democratic, DDD, where the letters indicate control of governor, house, and senate respectively. All the remaining cases are divided governments, though they differ in which party controls the executive body and the two chambers. We estimate the effect of each type of divided government, separately for Republicans and Democrats. Starting from the unified Republican case, RRR, there are three possibilities: RDR, where the Republicans lose the house, RRD, where they lose the senate, and, finally, DRR, where they lose the governor. Similarly, three cases arise from the unified Democratic case.

Our empirical strategy relies on using close elections in a regression-discontinuity design and estimating the discontinuity separately in each of the six cases. In the first part of the analysis, we use data at the legislator level, indexed by l. Letting i denoting states and t years, we therefore estimate

$$Y_{ilt} = \alpha + \beta D_{it} + \gamma_1 V_{it} + \gamma_2 V_{it} D_{it} + u_{ilt}, \tag{1}$$

where Y_{ilt} is an outcome of interest, for instance a legislator's ideology. The indicator D_{it} , equal one when the government is divided, and the running variable V_{it} , the distance to a divided government, are defined appropriately in each case.¹⁰

Each discontinuity is estimated by fixing the electoral outcome in two government bodies, and define the running variable appropriately as the distance to a switch in the control of the third one (Wong, Steiner and Cook, 2013). For example, when estimating the effect of a unified Republican government losing the senate to the Democrats, we restrict the sample to legislatures where both the governor and the house are Republican, and define the running variable V_{it} as the distance between to Democratic control of the senate. Correspondingly, we define $D_{it} = 1$ when this distance is positive.

While defining the margin of victory in the gubernatorial election is straightforward – we simply use the difference in the two parties' vote shares – the determination of the margin of victory in the legislative chambers is not trivial. The main issue arises because, as mentioned above, each district represents a separate election, and obtaining control of a chamber requires winning the majority of the single-distinct elections. As our measure of the margin of victory, we will simply use the seats share distance between Democrats and Republicans. ¹¹ To make the running variable comparable across states with different chamber sizes, as well as across the different government elections, we standardize it by dividing by each state's standard deviation (Cheng 2016, Cerqua and Pellegrini 2014). Hence, the running variable should be interpreted as the seat-share distance from a change in the majority, measured in standard deviations.

We believe this empirical strategy has some important advantages with respect to the ones previously used in studies on divided governments. To start, it simplifies the problem by reducing a three-dimensional regression-discontinuity design to six univariate ones, to which standard estimation and inference techniques can be applied (Lee and Lemieux, 2010). Additionally, we do not incur in the interpretation and consistency issues described in Wong, Steiner and Cook (2013) that arise when pooling different threshold and collapsing multi-dimensional running variables into one. Finally, as we are interested in partisan differences in the effect of divided government, each discontinuity is of independent interest. Our approach has some potential limitations in that, by avoiding pooling, it requires a substantial amount of data, as estimation relies on having a sufficient number of elections close to each of the six thresholds. Also, the seats share distance may not always be a good measure of the effective distance to a majority change (Kirkland and Phillips, 2020; Fiva,

¹⁰Because both the running variable and the divided government indicator only vary at the state-legislative term level, there is no index for the individual legislator. In the second part of our analysis we estimate a model analogous to eq. 1 but using state-level variables as outcomes.

¹¹We exclude from the sample cases of ties in the seat share distribution, as there is no clear way of categorizing these as either divided or unified governments. Results are unaffected by the inclusion of seat ties if we consider them instead as specifications of divided government.

¹²As Wong, Steiner and Cook (2013) show, estimation of a single discontinuity by pooling thresholds can only be justified under the assumption of homogeneous treatment effects and when the running variables are in the same scale and metric. As we show in the following, there is substantial heterogeneity in the effects across parties, and the running variables for the gubernatorial and legislative elections are different in nature.

3.1. Validation of the regression-discontinuity design

We perform conventional tests to assess the validity of our regression-discontinuity design. In our setting, the assumption that the running variable cannot be perfectly manipulated amounts to requiring that parties cannot affect their vote share so to perfectly locate at one side of the threshold. This assumption is likely to be satisfied when focusing on close elections, where the outcome is uncertain and partly determined by election-day events or by chance. A violation of such assumption would result in observing relatively more observations at one side of the threshold. Reassuringly, we find no evidence in this regard. In figure D.1 in Appendix D, we show that the density of each of the six running variables used in our analysis do not jump discontinuously at each threshold.

To test these results formally we implement Cattaneo, Jansson and Ma (2018) tests of manipulation based on density discontinuity and, for all six of our running variables, we fail to reject the null of no discontinuity, which is evidence in favor of lack of manipulation. Finally, Tables D.1 and D.2 in Appendix D show balancing checks for the individual legislator-level database, whereas Tables D.3 and D.4 show balancing for set of state characteristics.

4. The effect of divided government on polarization and policy

4.1. Divided government affects legislators' ideology scores

We begin by estimating the effect of divided government on ideology using individual-level scores for state representatives obtained from Shor and McCarty (2011). If divided government increases polarization – for instance because the party leaders that set the agenda in each chamber are from different parties – representatives who serve under periods where the government was divided should be more liberal (if Democrats) or conservative (if Republicans) than they would be if they served under a unified government.

We study the effect on ideology for senators and house representatives separately, and further split by party. Ideology scores are calculated using voting behavior over the entire career and are, thus, time-invariant for each legislator. For this reason, our estimates capture the impact on the overall individual ideology – measured over the entire career in office – of serving one additional term (2-4 years) under a divided government.¹⁵ To put this number into perspective, it is useful to note that state legislators serve for about 11 years on average (see Table 1 above).

In Tables 2 through 4, we show regression-discontinuity estimates of the effect of going from a unified government to different types of divided government. We use a local linear

¹³An alternative approach would be to use Kirkland and Phillips (2018)'s simulation method that uses information on all district-level elections to construct a single running variable. We followed this route and show results in the robustness checks section 5, where we also discuss some limitations.

¹⁴For a thorough discussion and empirical assessment of the validity of regression-discontinuity designs in this and other contexts, see Eggers et al. (2015).

 $^{^{15}}$ Regression-discontinuity plots showing the effect on years served for each case are reported in Figure D.2 in the Appendix.

specification,¹⁶ with an optimal bandwidth chosen using Calonico, Cattaneo and Titiunik (2014)'s method throughout.¹⁷ Given that we expect Republican and Democratic senators to react differently, we report results separately by party.

As column 1 of Table 2 shows, going from a unified Democrat government to one where Democrats lose the senate to Republicans has a positive and large effect on Republican senators' ideology scores. Specifically, Republican senators move to the right by over 60% of their baseline score, compared to those serving under unified Democratic governments. Instead, we find no effect for Democratic senators (column 2). When a unified Republican government loses the senate (columns 3-4), we observe similarly large effects, with Republican senators moving towards more conservative positions while Democrats becoming more liberal.

Taken together, these results indicate that divided government has a large impact on the polarization of the senate, in large part because of Republicans moving to the right of the ideological spectrum. These results are in line with previous descriptive work on the determinants of polarization (Shor and McCarty 2011; McCarty 2019). In Table 3, we provide similar estimation results for the house. The estimated coefficients are much smaller than the ones for the senate, and, throughout, imprecisely estimated. In sum, we find very little evidence that divided governments increases polarization in the house.

Results in Tables 2 and 3 show that divided government impacts the ideology of both Republican and Democratic senators who, by moving towards their ideological poles, increase the polarization of the legislature as a whole. The large effects detected in the senate also suggest that it is in the senate, more than the house, where ideology matters the most. To the best of our knowledge, this is the first causal evidence of the impact of divided government on polarization.

¹⁶We can can also consider a quadratic term or second order polynomial, as suggested by Imbens and Lemieux (2009). Results (unreported) are unchanged compared to our main specification.

¹⁷Results using other bandwidth choices are reported in Section 5

Table 2
Effect of divided government (losing the senate) on senators' ideology score

	DDD -	ightarrow DDR	RRR -	ightarrow RRD
	(1)	(1) (2)		(4)
	Ideology Score	Ideology Score	Ideology Score	Ideology Score
DDR	0.435**	0.161		
	(0.188)	(0.162)		
RRD			0.600***	-0.327**
			(0.113)	(0.157)
Party	Republicans	Democrats	Republicans	Democrats
Bandwidth	0.31	0.44	0.27	0.31
Mean of dep.var.	0.67	-0.91	0.75	-0.91
R2	0.12	0.05	0.25	0.04
Obs.	1114	1914	787	1007

Notes: Regression-discontinuity estimates of the effect of losing the senate on individual state senators' ideology scores. Columns 1 and 2 show the effect of a unified Democratic government losing the senate to Republicans, for Republican (col. 1) and Democratic (col. 2) senators respectively. Similarly, columns 3 and 4 show the effect of a unified Republican government losing the senate to Democrats. Local linear regressions with bandwidth chosen using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth. Cluster-robust standard errors at the state level in parentheses.

 $^{^{***}}p < 0.01, ^{**}p < 0.05, ^*p < 0.1$

Table 3

Effect of divided government (losing the house) on house representatives' ideology score

	DDD -	ightarrow DRD	RRR -	ightarrow RDR
	(1)	(1) (2)		(4)
	Ideology Score	Ideology Score	Ideology Score	Ideology Score
DRD	-0.014	-0.240		
	(0.117)	(0.190)		
RDR			0.171	0.042
			(0.155)	(0.215)
Party	Republicans	Democrats	Republicans	Democrats
Bandwidth	0.71	0.66	0.43	0.28
Mean of dep.var.	0.79	-0.75	0.83	-0.81
R2	0.01	0.04	0.02	0.01
Obs.	5543	6386	5795	3328

Notes: Regression-discontinuity estimates of the effect of losing the house on individual state house representatives' ideology scores. Columns 1 and 2 show the effect of a unified Democratic government losing the house to Republicans, for Republican (col. 1) and Democratic (col. 2) house representatives respectively. Similarly, columns 3 and 4 show the effect of a unified Republican government losing the house to Democrats. Local linear regressions with bandwidth chosen using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth. Clusterrobust standard errors at the state level in parentheses.

Our results for the senate are strong but not surprising. Senators represent larger and more heterogeneous districts. McCarty et al. (2019) find that polarization in the senate is related to the average preference heterogeneity of the district, with a positive correlation between district heterogeneity and polarization. This is also aligned with Shor and McCarty (2011), who find that, in all but four states, more than 80% of the increase in legislature polarization is due to the Republican and Democratic parties representing otherwise identical districts in more extreme ways.¹⁸

Finally, in Table 4, we show the impact on legislators' ideology (pooling senate and house representatives together) of losing the governorship to the other party. In columns 1 and 2, we show that a shift from unified Democratic to divided government with a Republican governor has no impact on ideology scores. However, when a unified Republican government loses the governor, the ideology scores of Republican legislators shifts to the right substantially, with an effect of about one-quarter of their sample mean. This is further evidence that the increase in polarization is mainly a consequence of large ideological movements of the

 $^{^{***}}p < 0.01, ^{**}p < 0.05, ^*p < 0.1$

¹⁸This is what McCarty (2019) calls "divergence", which he identifies as the main driver of legislative polarization. Polarization may also be due to geographic sorting, when liberal Democrats become more likely to win increasingly Democratic districts and conservative Republicans become more likely to win conservative districts.

Republican party to the right.¹⁹ We will investigate further the impact of having an opposing legislative branch on inter-branch conflict and policies implemented in the following section.

Table 4

Effect of divided government (losing the Governor) on house and senate representatives' ideology score

	DDD -	ightarrow RDD	RRR -	\rightarrow DRR
	(1)	$(1) \qquad (2)$		(4)
	Ideology Score	Ideology Score	Ideology Score	Ideology Score
RDD	0.041	-0.211		
	(0.092)	(0.158)		
DRR			0.218**	-0.038
			(0.103)	(0.089)
Party	Republicans	Democrats	Republicans	Democrats
Bandwidth	0.41	0.43	0.34	0.45
Mean of dep.var.	0.68	-0.71	0.81	-0.85
R2	0.01	0.01	0.04	0.00
Obs.	9953	20254	14223	11046

Notes: Regression-discontinuity estimates of the effect of unified governments losing the governorship on individual state legislators' ideology score (both house and senate representatives). Columns 1 and 2 restrict the sample to terms with Democratic legislature, and estimate the effect of losing the Governorship on the ideology of Republican (col. 1) and Democratic (col. 2) legislators separately. Analogously, columns 3 and 4 restrict the sample to terms with a Republican legislature and estimate the effect of losing the governorship. Local linear regressions with bandwidth chosen using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth. Clusterrobust standard errors at the state level in parentheses.

4.2. The effect of divided government on policy implementation

Since the ideology scores used in the previous section are constructed using both surveys and roll-call voting, the effects of divided government that we found earlier may be due to either representative voting differently on the same issues or to a change in the type and content of the bills that are up to vote. For example, a divided government may lead party leaders to change the roll-call vote agenda by, e.g., altering the content of some bills to secure the opposition's support, or by refraining to put to vote more ideologically charged bills (Hughes and Carlson, 2015).

If this were the case, an observed change in the ideology scores could reflect the effect of

^{***}p < 0.01,** p < 0.05,* p < 0.1

¹⁹An alternative to using legislator-level data would be to use state-level measures of ideology. We show that this approach yields broadly similar results in Figure B.1 in the Appendix, where we find that a change from unified Republican to divided government by change in governorship makes legislators more liberal, while changing from unified Democratic to divided government moves ideological scores to the right.

a different agenda and not an actual change in legislators' ideological stance.²⁰

To investigate these issues, we study the impact of divided control on the actual content of the policies implemented by state governments. To quantify the effect on policy, we use four different measures for how liberal (or conservative) the implemented policies are on average. To start, we consider the state policy liberalism score constructed by Caughey and Warshaw (2015). This score is based on a large data set of policies from different areas and takes on positive values for states that implemented mostly liberal-leaning policies over a given year, and negative values for conservative states.²¹ Then, we use as outcomes three additional measures developed by Grumbach (2018).²²

Figure 2 plots regression-discontinuity estimates of the effect of each divided government configuration on the four measures of policy liberalism, together with 90% and 95% confidence intervals. Irrespective of the measure used, we observe large effects of divided control on policy implementation. In particular, when Republicans take away control of a chamber or the governor from Democrats, implemented policies become more conservative. These effects are sizeable and mostly in the order of magnitude of 0.5-1 standard deviations. A similar, specular effect is found when Democrats obtain control of a branch, with more liberal policies being implemented instead.

Taken together with our findings on polarization from the previous section, these results suggest that the large shifts in state representatives' ideology translate into the implementation of more moderate policies. In governments where one chamber or the governor is controlled by the other party, the bills approved are much closer ideologically to the ideal points of the other party than they would be if the government control were unified. This result lends indirect support to the view that voters who seek divided control of the government may do so as a way to induce a greater balance of power between parties. This balance should then lead to the approval of more moderate, middle-ground policies.²³

Our results are aligned with theoretical predictions in Alesina and Rosenthal (2000). There, the presence of "checks and balances", institutional rules meant to maintain a balance of powers such as divided government, leads parties to choose more diverging political platforms than there would be in a canonical model of electoral competition between two parties without a legislature. In equilibrium, although party platforms polarize, implemented policies end up being moderate.

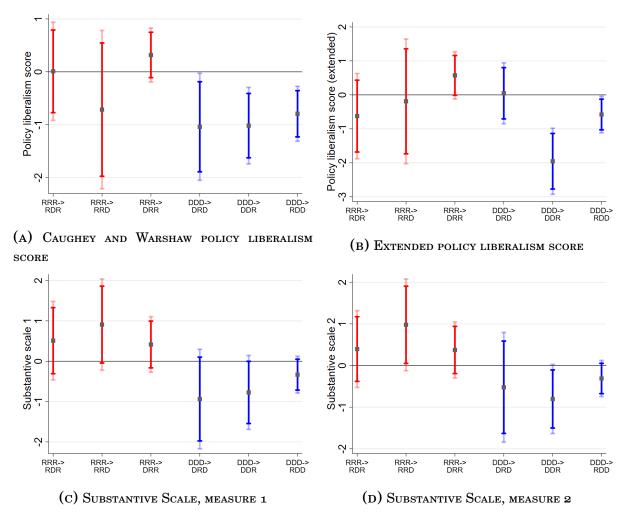
²⁰Notice, however, that McCarty (2019) argues that the ideology measures we use in this analysis, based on surveys and career-long voting behavior, should not be affected by agenda setting in a significant way.

²¹All measures used in this sections are standardized to have mean zero and unit variance to facilitate comparisons across states and the interpretation of the coefficients of interest. An alternative to account for the intra-state differences would be to include state fixed effects. This approach leads to very similar results (not reported).

²²The first one is an extension of Caughey and Warshaw (2015)'s measure which includes a wider range of policies. The other two are "substantive scales", indices that count the number of a state's liberal policies minus its conservative policies in each year. These two measures differ in the way policies are weighted in the construction of the index (see Grumbach 2018 for more details).

²³Early theoretical models formalizing the argument that voters seek to split political control to obtain an ideologically intermediate policy in equilibrium include, e.g., Alesina and Rosenthal (1995, 1996).

FIGURE 2
EFFECT OF DIVIDED GOVERNMENT ON POLICY LIBERALISM SCORES



Notes: Regression-discontinuity estimates of the effect of going from unified to divided government on implemented policies. Each coefficient corresponds to a different configuration of divided government. The outcome variables are, in panel A, Caughey and Warshaw (2015) policy liberalism score pollib_median; in panel B, Grumbach (2018)' extended policy liberalism score; in panels C and D, two different measures of policy liberalism based on the sum the state's liberal policies minus its conservative policies in a given year. These measures are taken from Grumbach (2018) and differ in how policies are weighted. All four measures are standardized by state. S.e. are clustered at the state level. Point estimates are shown together with 90% and 95% confidence intervals. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

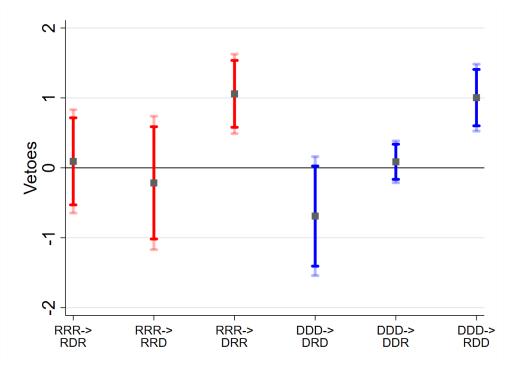
4.3. Legislative productivity and inter-branch conflict

Results in the previous sections show that divided control increases polarization of the legislatures and that policies implemented tend to be more moderate. These effects might be due to parties compromising on their ideological positions to find common legislative ground. One institutional feature that acts as a check for the legislature and discourages the approval of ideologically charged bills is the veto power of the governor. Another one is that the majority in the legislature, to avoid vetoes, only presents and approves bills that have been agreed upon with the governor's party. As a consequence, whether divided control increases or decreases the likelihood of inter-branch conflict is, at least in theory, unclear. To shed some light on this question, we estimate our baseline regression-discontinuity model using, as outcomes, the number of vetoes issued in each state and year, and the number of times a veto was overridden by the legislature, both standardized to have mean zero and unit variance in each state.

Figure 3 shows that, compared to a fully unified government, it is only when the governor (either Republican or Democrat) faces a unified opposing legislature that we observe an increase in veto activity. In these cases, one party holds full control of the legislature branch, hence it has a higher likelihood to pass bills that are ideologically bolder and closer to party positions. It is then perhaps not surprising that, in such instances, we observe that the opposing governor is more likely to exercise veto power. The estimated effects are large and equal to one standard deviation for both Republican and Democratic governors. We find no effect, instead, in split legislature cases, i.e., when only one chamber is lost to the opposition. This result may reflect the fact that in split legislatures one chamber has preferences aligned to the governor's and may be unwilling to pass bills that may create conflict, fostering bipartisan cooperation (Trubowitz and Mellow 2005, Harbridge 2015). Our results that conflict increases only under split control of the executive and legislative branches – with no effect of having a divided legislature – are in line with previous regression evidence (see, e.g. Klarner and Karch 2008).

²⁴Governors' willingness to veto bills may also be affected by other strategic considerations and has been linked to several factors, such as the strength of the electoral mandate, party affiliation, or experience (Klarner and Karch, 2008).

 $F_{\rm IGURE~3} \\ {\rm Effect~of~Divided~Government~on~bills~vetoed~by~the~governor}$



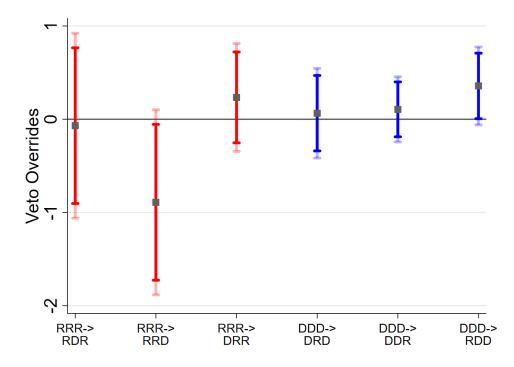
Notes: Regression-discontinuity estimates of the effect of going from unified to divided government on the (standardized) number of bills vetoed by the governor in a given year. Each coefficient corresponds to a different configuration of divided government. S.e. are clustered at the state level. Point estimates are shown together with 90% and 95% confidence intervals. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

Once a veto has been signed by the governor, the legislature can still override it, usually with a qualified majority requirement. Although overrides happen less frequently than vetoes, they can be considered as an additional measure of inter-branch conflict. Figure 4 shows results using the number of veto overrides as outcome. Although estimates are at times imprecise, we find that when a Republican governor faces a legislature controlled by the opposition, not only there are more vetoes (as shown above), but that the legislature overrides more often, with an increase of about half a standard deviation. ²⁵

These results relate to previous literature on the relationship between divided government and vetoes. For instance, Klarner and Karch (2008) show that partisan alignment of the legislature and electoral cycles correlates with veto activity, finding that divided government slightly increases the number of vetoes by a governor, albeit marginally. Similarly, Herzik and Wiggins (1989) find that divided government is associated with more veto overrides.

²⁵We also find a negative effect when a fully Republican government loses the senate. However, the sample size in this configuration is reduced, which renders the result only marginally statistically significant.

 $F_{\rm IGURE~4} \\ {\rm Effect~of~Divided~Government~on~veto~overrides~by~the~legislature}$



Notes: Regression-discontinuity estimates of the effect of going from unified to divided government on the (standardized) number of veto overrides by the legislature in a given year. Each coefficient corresponds to a different configuration of divided government. S.e. are clustered at the state level. Point estimates are shown together with 90% and 95% confidence intervals. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

5. Additional specifications and robustness checks

5.1. Alternative running variable

In our main specification, we estimated the effect by party and for each chamber, separately. An alternative approach would be to define only one running variable, which measures the distance to any type of divided government, and estimate a standard univariate regression-discontinuity design.

Along these lines, Kirkland and Phillips (2018) suggest constructing a single running variable to measure the distance from any divided government using simulations that incorporate electoral shocks to district-level and gubernatorial election results. As a robustness test, we estimate the effect of divided government using a regression-discontinuity model and Kirkland and Phillips (2018)'s running variable instead of ours. A more detailed discussion of this method and estimation results are available in Table A.1 in the Appendix. We find qualitatively similar results to those in section 4.1. As expected, a change from unified to divided government increases polarization of the state legislatures using both Hicks (2015)'s and Shor and McCarty (2011)'s polarization measures, although in the latter case, the precision of the estimate is low.

5.2. Bandwidth selection

Because regression-discontinuity designs typically use locally linear estimators – which only consider observations within a certain bandwidth around the threshold – bandwidth choice is crucial. In all our baseline specifications, we use the optimal bandwidth proposed by Calonico, Cattaneo and Titiunik (2014) and calculated using Stata 17 with the package *rdrobust*. However, it is informative to estimate the model using a range of different bandwidth around the optimal one to assess the sensitivity of the results to bandwidth choices.

In Figure D.3 in the Appendix, we re-estimate the model of Table 2 several times, each with a different bandwidth. Panels A and B replicate Columns 1 and 2 of Table 2, where we estimate the impact of shifting from unified Democratic to divided government by change in senate control over ideology scores. In panels C and D, instead, we replicate columns 3 and 4 of Table 2. In all four panels we observe that results are fairly stable across a considerable interval of bandwidths around the optimal ones (represented as dashed vertical lines), reassuring us about the robustness of our results. Results are analogous in Figures D.4 and D.5, where we study the robustness of Table 3 and 4's results.

To analyze the sensitivity of our state-level results to bandwidth selection in a compact form, we show results using the same bandwidth of 0.5 for all specifications in Figure D.6. Results are robust to this alternative choice of bandwidth and qualitatively similar to our main estimates.

6. Discussion and conclusions

In this paper we provide evidence that divided government is an important driver of both political polarization and the type and ideological content of policies implemented in US state governments. Our findings contribute to the debate on the drivers of political polarization – and its consequences – in the US and elsewhere. Although there is now a fairly general consensus that political elites have become increasing polarized over the last forty years (McCarty, 2019; Akkerman, 2015), there is less agreement on what are the causes of this phenomenon. To the best of our knowledge, this work is the first to provide causal evidence of the impact of divided government on polarization.

We show that the effects of split control are not limited to ideological positions of legislators, but translate directly into actual policy implementation, with divided governments passing more moderate legislation. The threat of obstructionism from the opposition appears to induce legislators from either party to reach common ground before a bill is approved (Hughes and Carlson, 2015). In presence of moderating institutions – such as the system of checks and balances in place in the US – parties trying to approve policies closer to their ideal point have incentives to adopt more extreme ideological positions than in a purely presidential regime (Alesina and Rosenthal, 2000). We provide evidence that this is indeed the case in US states, where under divided governments legislators polarize more but implemented policies tend towards the ideological middle.

Additional research is needed to investigate whether these effects are also present in countries other than the US. Also, while our results suggest that divided governments are an

important driver of polarization, it cannot explain by itself the rise in polarization observed in the US in the last decades. We believe that investigating other determinants of polarization and whether its rise will have long-lasting effects on policy outcomes is particularly relevant for future research.

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Appendix

A. Results on ideology and polarization using Kirkland and Phillips (2018)

As an alternative to our main specification, in this section we use the running variable proposed by Kirkland and Phillips (2018) and available in the paper's replication package. This running variable is constructed by drawing state-level and district-level electoral shocks from a uniform distribution and measuring the smallest state-level vote share shock that would lead to a divided government.

In Table A.1, we report result from estimating a regression-discontinuity model in which we include the running variable, an indicator for a divided government, and the interaction of the two. The model is then estimated by OLS using only observations within the Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

Because Kirkland and Phillips (2018)'s running variable is constructed as the distance from *any* type of divided government, we cannot replicate our main analysis by party and by type of divided government. Instead, results in Table A.1 should be interpreted as the effect of going to a unified government to a divided government of any type. As measures of polarization, we use, in column 1, Hicks (2015)'s measure *polar*, which uses Shor and McCarty (2011)'s ideology scores and is defined as the distance between the median Democratic legislator and the median Republican legislator, averaged across the chambers. Instead, in column 2, the outcome is the absolute value of the distance between the ideological medians scores of Democratic and Republican state senators.

Table A.1

Effect of Divided Government on all legislators' Individual Ideology Scores

	(1) Hicks	(2) Shor and McCarty	
Divided Government	0.285** (0.118)	0.138 (0.152)	
Bandwidth	0.06	0.05	
Mean of dep.var.	1.40	1.51	
R2	0.03	0.01	
Obs.	234	140	

Notes: Regression-discontinuity estimates, using Kirkland and Phillips (2018)'s running variable, of the effect of divided government on state-level polarization. In column 1, the outcome is Hicks 2015's measure polar, which uses Shor and McCarty (2011)'s ideology scores and is defined as the distance between the median Democratic legislator and the median Republican legislator, averaged across the chambers. In column 2, the outcome is the absolute value of the distance between the ideological medians scores of Democratic and Republican state senators. The measure was developed by Shor and McCarty (2011). The bandwidth is chosen using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth and a triangular kernel. Robust standard errors in parentheses. Local linear regressions.

Results show that a divided government increases polarization of the legislatures by about 10-20%, depending on the measure used. These estimates are in line, in terms of

^{***}p < 0.01, ** p < 0.05, * p < 0.1

sign, with our baseline results in Tables 2-4, in which we also find a positive effect of divided government on polarization. Howeve, as our results in Section 4 shows, there is considerable heterogeneity along both party and type of divided government, with large effects in some cases and negligible ones in others. These differences highlight the advantages of analyzing each case separately.

B. Results on ideology and polarization using state-level measures

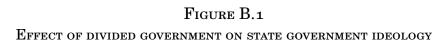
As a complement to our legislator-level analysis presented in Section 4, we here use state-level data. As an alternative to Shor and McCarty (2011)'s legislator ideology measures we use above, we consider Berry et al. (2010) state legislature ideology scores. The advantage of these scores is that they should be unaffected by agenda changes at the state level. The disadvantage is that the scores are constructed considering the ideology of national representatives by state, and therefore only capture local legislators ideology indirectly. Another advantage of Berry et al. (2010) scores is their time-span availability, as we gain about 30 years of data in comparison to Shor and McCarty (2011)'s scores. Positive values of this score indicates a more liberal ideology.

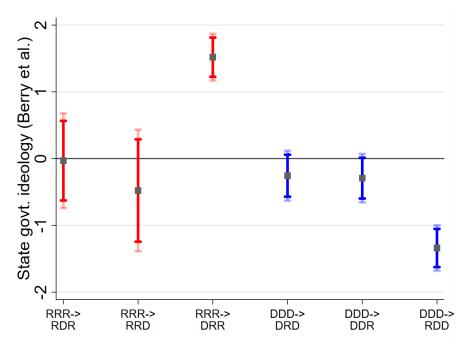
Results in Figure B.1 are consistent with those in Table 4 and show that a change from unified Democratic to divided government via a change in governorship control shifts ideology scores to the right by more than one standard deviation. Conversely, a change from unified Republican has the opposite sign and similar magnitude. Nonetheless, and differently from our baseline results, we do not find the same effect for changes in control of the chambers, suggesting perhaps that individual-level scores are better suited at measuring ideology changes in this setting.

C. Details on the construction of the running variable

The running variable V_{it} is defined, for each of the 6 possible cases of divided government, as the distance to a change in the majority that leads to a divided government. When we study the effect of losing the house or the senate, the running variable is constructed as the seats share difference between the opposition party and 50%. For instance, when estimating the effect of a Republican unified government losing the senate, the running variable is defined as the difference between the senate seats share of the Democrats and 50%. Here, observations with negative values of V are legislatures where the Republican control all three bodies, whereas cases where V is positive correspond to divided governments with the Democrats controlling the senate only. Correspondingly, when we study the effect of losing (or winning) the governorship, the running variable is defined using the vote share distance to losing (winning) the election.

As a final step, we standardize the running variable by dividing it by its standard deviation, calculated for each state across all elections. The standardization is performed in order to mitigate the issue that vote or seats share differences of similar magnitude might have very different impacts in different states. For instance, in states where there are frequent swings in support from Republicans to Democrats, a running variable value of, say, 5%, can





Notes: Regression-discontinuity estimates of the effect of going from unified to divided government on state government ideology, using measure by Berry et al. (2010). Each coefficient corresponds to a different case. S.e. are clustered at the state level. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

be considered a close election. Instead, the same value should be considered as a clear victory of one party over the other in states where races are more contested and decided over a few percentage points. We do not remove the mean so to preserve the sign, so that positive values of the running variable always correspond to cases of divided governments and vice versa, negative cases correspond to unified ones.

D. Additional results

Table D.1

Balancing checks 1 - Individual-level dataset

	$ ext{DDD} o ext{DRD}$			$\mathrm{DDD} o \mathrm{DDR}$			$\mathrm{DDD} o \mathrm{RDD}$		
	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N
Years served	-3.96	1.38	4,771	2.01	1.87	9,159	0.62	0.49	47,470
First year in off.	-0.49	2.77	$15,\!259$	2.99	2.61	11,496	1.22	1.36	36,640
Served in both ch.	0.00	0.01	8,001	0.02	0.03	12,337	-0.04	0.02	44,518
Republican	-0.00	0.03	10,722	0.11	0.03	8,175	-0.02	0.02	39,532
Senator	0.04	0.06	16,068	-0.03	0.04	13,421	-0.05	0.02	22,424

Notes: Regression-discontinuity estimates of the discontinuity in the covariate specified in the each row. Years served is the number of years in office over the entire career. First year in office is a variable recording the first calendar year in office of each legislator. Served in both chambers is an indicator for having being elected in both chambers over the entire career. Republican is an indicator for the representative being a Republican, while Senator is an indicator for being a member of the state senate. Data at the individual legislator level. Standard errors clustered at the state level. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

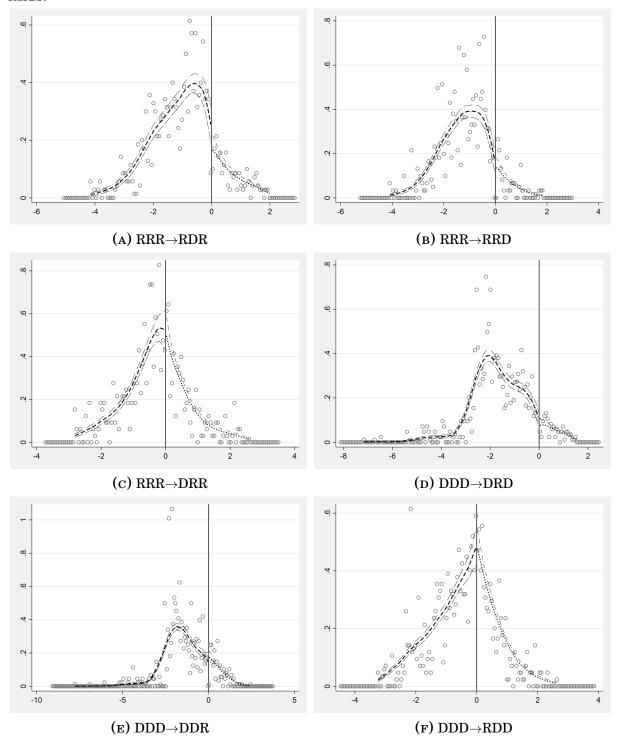
Table D.2

Balancing checks 2 - Individual-level dataset

	$\mathrm{RRR} o \mathrm{RDR}$			$\mathrm{RRR} o \mathrm{RRD}$			m RRR ightarrow DRR		
	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N
Years served	-0.22	1.11	6,355	-0.74	1.59	8,911	-0.17	0.59	37,989
First year in off.	0.87	3.66	4,875	-1.38	2.18	16,810	-1.08	1.17	$42,\!360$
Served in both ch.	-0.06	0.07	4,875	-0.01	0.08	7,082	0.00	0.02	$34,\!582$
Republican	-0.02	0.01	6,355	0.03	0.01	13,253	0.05	0.02	43,766
Senator	0.02	0.03	6,355	-0.23	0.04	5,331	0.03	0.02	37,989

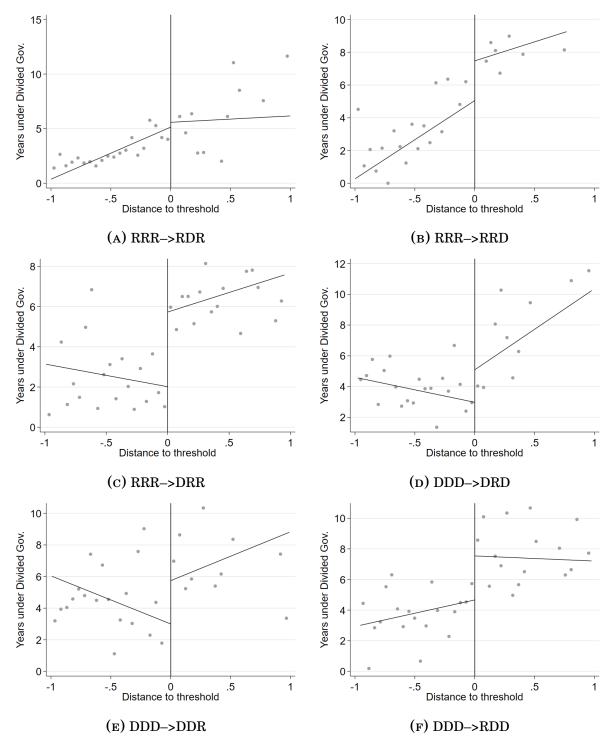
Notes: Regression-discontinuity estimates of the discontinuity in the covariate specified in the each row. Years served is the number of years in office over the entire career. First year in office is a variable recording the first calendar year in office of each legislator. Served in both chambers is an indicator for having being elected in both chambers over the entire career. Republican is an indicator for the representative being a Republican, while Senator is an indicator for being a member of the state senate. Data at the individual legislator level. Standard errors clustered at the state level. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

Figure D.1
Frequency distribution of the running variable in each of the six divided government cases.



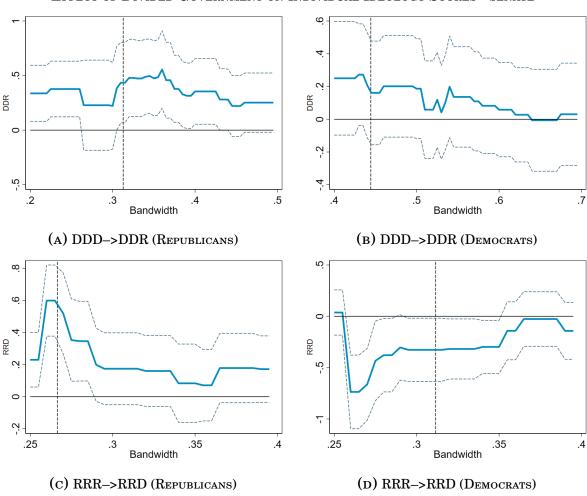
Notes: Plots of the (log) frequency distribution of the running variable, appropriately defined as the distance to a divided government in each of the six cases. Each running variable is standardized so to have a standard deviation of one. Dots correspond to observations within a certain distance to the threshold of the running variable. The lines are nonparametric fits with 95% confidence interval obtained using the DCDensity command in Stata 17. McCrary (2008)'s test fail to reject the null of no discontinuity at the 10% confidence level in all cases.

Figure D.2 Effect on the years served in office under a divided government, all legislators



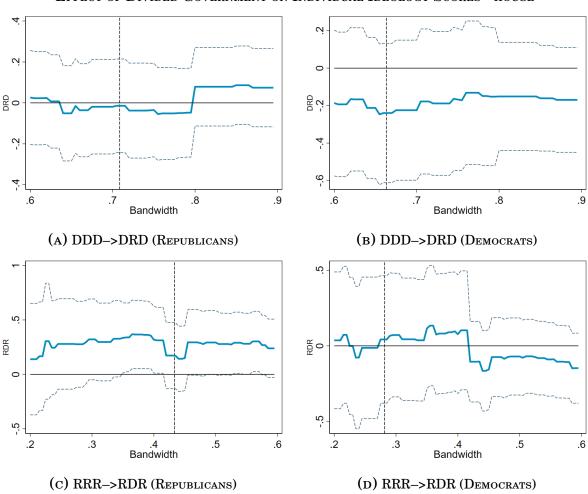
Notes: Regression-discontinuity plots of the effect on the number of years in office under a divided government of moving from a unified government to each type of divided government. Binned scatter plots with bin size 0.1 of a standard deviation of the running variable. Local linear regression lines overlaid.

 $Figure\ D.3$ Effect of Divided Government on Individual Ideology Scores - senate



Notes: Regression-discontinuity estimates of the effect of unified governments losing the senate on individual State legislators' ideology scores (as in Table 2 above). Panel A and B restrict the sample to terms with Democratic governor and house, and estimate the effect of losing the senate on the ideology of Republican (A) and Democratic (B) senators separately. Analogously, panels C and D restrict the sample to terms with a Republican governor and House and estimate the effect of losing the senate. Local average treatment effects for different bandwidths (as specified in the horizontal axis) and 95% confidence interval with cluster-robust standard errors. Optimal bandwidth in dotted line.

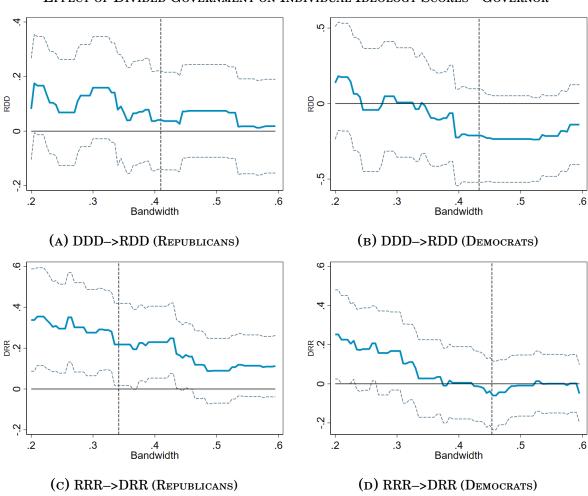
FIGURE D.4
EFFECT OF DIVIDED GOVERNMENT ON INDIVIDUAL IDEOLOGY SCORES - HOUSE



Notes: Regression-discontinuity estimates of the effect of unified governments losing the house on individual State legislators' ideology scores (as in Table 3 above). Panel A and B restrict the sample to terms with Democratic governor and senate, and estimate the effect of losing the house on the ideology of Republican (A) and Democratic (B) representatives separately. Analogously, panels C and D restrict the sample to terms with a Republican governor and Senate and estimate the effect of losing the house. Local average treatment effects for different bandwidths and 95% confidence interval with cluster-robust standard errors. Optimal bandwidth in dotted line.

FIGURE D.5

EFFECT OF DIVIDED GOVERNMENT ON INDIVIDUAL IDEOLOGY SCORES - GOVERNOR



Notes: Regression-discontinuity estimates of the effect of unified governments losing the governorship on individual State legislators' ideology scores (as in Table 4 above). Panel A and B restrict the sample to terms with Democratic legislature, and estimate the effect of losing the Governorship on the ideology of Republican (A) and Democratic (B) legislators separately. Analogously, panels C and D restrict the sample to terms with a Republican legislature and estimate the effect of losing the Governorship. Local average treatment effects for different bandwidths and 95% confidence interval with cluster-robust standard errors. Optimal bandwidth in dotted line.

Table D.3
Balancing checks 1 - State-level dataset

	$\mathrm{DDD} o \mathrm{DRD}$			$\mathrm{DDD} o \mathrm{DDR}$			$\overline{\mathrm{DDD} \to \mathrm{RDD}}$		
	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N
Population	848.34	1,413.19	104	601.14	1,964.81	141	2,267.08	885.71	416
Elect year	17.70	7.69	70	-6.00	6.87	183	1.25	2.17	630
Income	-7.63	4.74	77	-1.70	4.42	110	-5.05	1.87	272
Elect S	-0.11	0.22	146	0.02	0.19	187	-0.01	0.07	743
Elect H	0.01	0.20	160	0.05	0.17	208	0.02	0.06	887
North	-0.03	0.20	126	-0.24	0.21	138	0.15	0.05	851
South	0.04	0.23	136	0.22	0.13	192	0.01	0.07	746
Midwest	-0.03	0.16	136	-0.00	0.11	228	-0.05	0.05	714
West	0.13	0.22	136	-0.12	0.18	200	-0.06	0.05	989

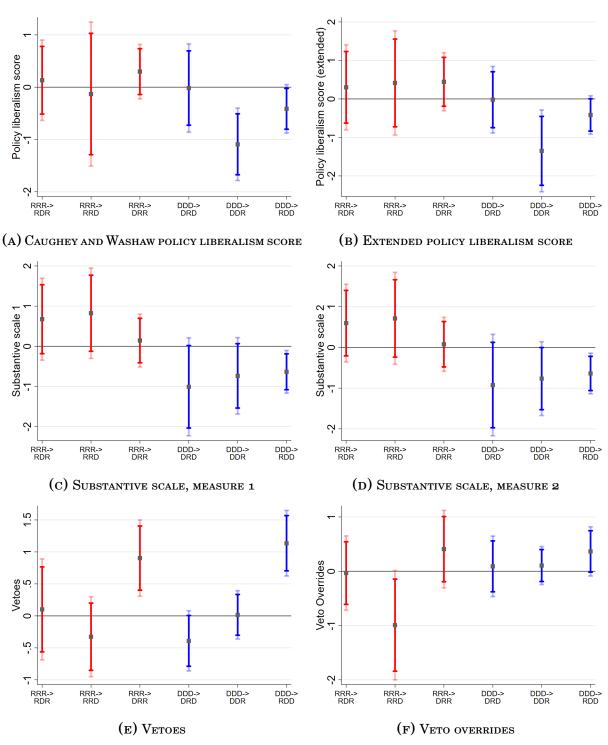
Notes: Regression-discontinuity estimates of the discontinuity in each of the covariate specified in the each row. Data at the state-year level. Population is in thousand inhabitants, whereas income is in thousands of USD per capita. $Elect\ S$ and $Elect\ H$ are indicators for the state having a senate or house election in a given year. The last four variables are indicators for the state belonging to a given region. Standard errors clustered at the state-year level. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

Table D.4
Balancing checks 2 - State-level dataset

	$\text{RRR} \to \text{RDR}$			$ ext{RRR} o ext{RRD}$			RRR o DRR		
	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N	\hat{eta}	$\mathbf{se}(\hat{eta})$	N
Population	-1,591.28	2,258.10	77	5,066.68	4,373.47	75	-2,258.76	919.83	380
Elect year	-10.78	7.85	119	2.40	7.13	201	0.44	2.29	555
Income	2.81	10.40	26	-15.24	8.19	45	3.61	1.80	286
Elect S	0.20	0.25	96	-0.03	0.22	152	-0.02	0.07	764
Elect H	0.11	0.26	87	-0.01	0.22	152	-0.02	0.06	926
North	-0.31	0.15	102	0.04	0.19	141	-0.17	0.05	845
South	0.22	0.22	111	0.82	0.35	78	0.05	0.07	760
Midwest	0.02	0.17	169	-0.31	0.32	78	0.01	0.05	807
West	0.19	0.16	167	-0.17	0.21	141	0.11	0.05	851

Notes: Regression-discontinuity estimates of the discontinuity in each of the covariate specified in the each row. Data at the state-year level. Population is in thousand inhabitants, whereas income is in thousands of USD per capita. $Elect\ S$ and $Elect\ H$ are indicators for the state having a senate or house election in a given year. The last four variables are indicators for the state belonging to a given region. Standard errors clustered at the state-year level. Local linear regressions using Calonico, Cattaneo and Titiunik (2014)'s optimal bandwidth.

 $Figure \ D.6 \\ Robustness - Effect \ of \ divided \ government - Results \ with \ fixed \ bandwidth \ selection.$



Notes: Regression-discontinuity estimates of the effect of going from unified to divided government on the different outcomes. Each coefficient corresponds to a different configuration of divided government. S.e. are clustered at the state level. Point estimates are shown together with 90% and 95% confidence intervals. Local linear regressions using a fixed bandwidth of 0.5 standard deviations.

Table D.5
Variables description

Variable	Description	Coverage	Source
State-level variables			
Population	Total population (in thousands)	1980-2018	US Census Bureau
Income p.c.	Gross Income per capita	1980-2019	US Census Bureau
Dem. vote margin (gov.)	Dem - Rep vote share	1950-2018	Klarner, Leip
Dem. seat margin (sen.)	Dem - Rep seat share	1950-2018	Klarner, Leip, NCSL
Dem. seat margin (hou.)	Dem - Rep seat share	1950-2018	Klarner, Leip, NCSL
Divided Government	Indicator of divided government	1950-2018	Klarner, Leip
Dem. mean ideology	Mean ideology of Democrats	1991-2018	Shor and McCarty
Rep. mean ideology	Mean ideology of Republicans	1991-2018	Shor and McCarty
State govt. ideology	Government ideology score	1960-2017	Berry et al
Introduced bills	Bills introduced in legislature	1991-2018	Hicks & Book of States
Enacted bills	Bills enacted in legislature	1991-2018	Hicks & Book of States
Full vetoes	Vetoes issued by governor	1970-2018	Book of States
Veto overrides	Vetoes overridden by legislature	1970-2018	Book of States
Policy liberalism score	Index of liberalism of policies	1950-2014	Caughey and Warshaw
Policy liberalism (ext)	Index of liberalism of policies	1970-2014	Grumbach
Individual-level variables	<u> </u>		
Ideology Score	Ideology score of legislators	1991-2018	Shor and McCarty
N. years in office	Tenure in office	1991-2018	Shor and McCarty
First year in office	Year of first election to office	1991-2018	Shor and McCarty
Ever in a div.govt.	Indicator serving under div. gov.	1991-2018	Shor and McCarty
First year in a div.govt.	First year of service under a div. gov.	1991-2018	Shor and McCarty
N. years in div.govt.	Total years under div. gov.	1991-2018	Shor and McCarty
Senator	Indicator for being a senator	1991-2018	Shor and McCarty