Supplementary Materials "How Do Electoral Outcomes Affect Campaign Contributions? The Role of Personal Loyalty and Investment Motives" (not intended for publication)

A Other tables

The sample used in the baseline results includes mayoral candidates who had at least one donor (family or not family). Table A1 verifies that winning the election in a close election race is not systematically linked to having a given type of donor (family or non-family). This reduces concerns of selection in regressions where we restrict the sample to candidates that just have a given type of donor.

Table A2 verifies that second-ranked candidates in 2011 are significantly more likely to run in 2015 relative to third-placed candidates.

Table A3 examines the results of Table 4 with alternative modeling assumptions, by estimating logit and conditional logit models. The marginal effect of receiving a contract on donating again to any race in 2015 is 4.1 (model 1), and 2.4 pp for donating to the 2015 mayoral race (model 3). Both estimates are statistically significant. We compute them by fixing dichotomous variables at their respective modes and others at their mean.

Tables A4 and A5 give additional evidence of an investment rationale driving the main relationship between contracts and future donations captured by Table 4. In Table A4, we estimate the relationship between receiving a public contract from the municipal government and future donations but using the sample of donors to the 2011 runner-up candidate (instead of that of donors to the mayor). Unlike what was seen with donors to the winner, the coefficient on receiving the contract is much smaller and imprecisely estimated for similar specifications. Table A5 presents the results of models where the dependent variable takes the value of one if the donor exclusively donates to a candidate for mayor in 2015 (and not to any other race). If donors to the winner are donating in the future because they were compensated for previous donations by the election winner and they want to continue profiting from donations, they should not donate in races where the future winner is most likely someone they did not support in the past (this would happen if candidates prioritize assigning contracts to "loyal" donors who supported them but who did not donate to the competition in the past). Given that second-placed mayoral candidates in 2011 are likely to run and win in 2015, a donor to the 2011 winner who receives a contract should donate to nonmayoral races. Here, we see that, in fact, the relationship between contracts and future donations to the 2015 mayoral race is positive but weaker and not significant.

Table A1: Effect of electoral victory on donation type

Outcome:	Has non-family donors	Has family donors
	(1)	(2)
Electoral victory	0.023	0.014
Robust p-value	0.619	0.974
CI 95%	[-0.144,0.241]	[-0.186,0.192]
Observations	1150	1150
Bandwidth obs.	551	593
Mean	0.716	0.677
Bandwidth	0.06	0.07

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. Robust p-values with clustering at the municipality level and 95% robust confidence intervals are computed following Calonico, Cattaneo and Titiunik (2014). Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table A2: Running in next mayoral election (runner up and third-place candidate)

Outcome	Running again
	(1)
Second	0.218
Robust p-value	0.021
CI 95%	[0.034,0.424]
Observations	753
Bandwidth obs.	442
Mean	0.416
Bandwidth	0.33

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. Robust p-values with clustering at the municipality level 95% robust confidence intervals are computed following Calonico, Cattaneo and Titiunik (2014). Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table A3: Contracts and next election donations (non-family members: logit results)

Outcome:	Any race		Mayor	
	(1)	(2)	(3)	(4)
Contract	0.539	0.513	0.542	0.525
p-value	0.002	0.021	0.019	0.084
CI 95%	[0.198,0.880]	[0.079,0.947]	[0.091,0.993]	[-0.070,1.120]
Observations	3124	1608	3013	1062
Mean	0.087	0.087	0.053	0.053
log-likelihood	-886.031	-493.105	-577.460	-292.807
Controls mayor	yes	no	yes	no
Controls donor	yes	yes	yes	yes
Municipality FE	no	yes	no	yes

Estimates of the coefficient on receiving a contract in logit models of donating in the next election. Sample includes donors to the mayor. Columns 2 and 4 present conditional logit results with municipality as the grouping variable. Controls mayor denotes candidate's illegal registration of ID, being sanctioned, elected posts, ran as candidate past in elections, party has no clear ideological leaning, and non-family donations as a fraction of campaign revenue. Controls donor denotes logged value of donation, donated above legal limit, sanctioned, and donation rank among all donors. P-values and confidence intervals with clusters at the municipality level.

Table A4: Contracts and next election donations (non-family donors to the runner-up)

Outcome:	Any race		Mayor	
	(1)	(2)	(3)	(4)
Contract	-0.009	0.011	0.008	0.010
p-value	0.808	0.773	0.814	0.779
CI 95%	[-0.083,0.065]	[-0.063,0.084]	[-0.061,0.078]	[-0.062,0.082]
Observations	1917	1917	1840	1840
Mean	0.117	0.117	0.080	0.080
Controls mayor	yes	no	yes	no
Controls donor	yes	yes	yes	yes
Municipality FE	no	yes	no	yes

OLS estimates of the effect of receiving a contract on donating in the next election. Sample includes donors to the runner up. 'Controls mayor' denotes candidate's illegal registration of ID, being sanctioned, elected posts, ran as candidate in past elections, party has no clear ideological leaning, and non-family donations as a fraction of campaign revenue. 'Controls donor' denotes logged value of donation, donated above legal limit, sanctioned, and rank of donation among all donors. P-values and confidence intervals with clusters at the municipality level.

Table A5: Contracts and next mayoral election donations (non-family)

Outcome	Mayor only	
	(1)	(2)
Contract	0.020	0.018
p-value	0.108	0.183
CI 95%	[-0.004,0.044]	[-0.009,0.045]
Observations	2952	2952
Mean	0.034	0.034
Controls mayor	yes	no
Controls donor	yes	yes
Municipality FE	no	yes

OLS estimates of the effect of receiving a contract on donating exclusively to the next mayoral election. Sample includes donors to the mayor. Controls mayor include: candidate's illegal registration of ID, being sanctioned, elected posts, ran as candidate in past elections, party has no clear ideological leaning, and non-family donations as a fraction of campaign revenue. Controls donor include: logged value of donation, donated above legal limit, sanctioned, and rank of donation among all donors. P-values and confidence intervals with clusters at the municipality level.

B Sensitivity analysis

Table B1 presents the results of the sensitivity analysis for two outcomes: (1) an indicator that takes a value of 1 if the donor contributed to any race in 2015, and 0 otherwise (Panel A) and (2) an indicator of donating to the 2015 mayoral race (Panel B). The regression includes all donor controls as well as mayor fixed effects. For the first outcome, the robustness value ($RV_{q=1}$) indicates that an unobserved confounder that explains more than 5.1% of the residual variance of both the treatment and the outcome is strong enough to bring the point estimate to 0. To assess whether such a confounder is plausible, we consider a confounder that is just as strong as the value of the 2011 donation, arguably the most important control in our regression. The table reports the coefficient on contract, standard error, and 95% confidence intervals that would be obtained if we could control for such a confounder. The exercise is repeated for confounders that are twice and three times as strong confounders as the 2011 donation. Including such a confounder would not affect the main conclusion that receiving a contract makes a donor more likely to donate in the next election. If we only consider donating to mayoral races, we still see that the coefficient on contract is almost unchanged by the inclusion of such a confounder; however, the coefficient is only significant at the 10% level. The results of this sensitivity analysis are very similar if instead of using the size of the 2011 donation as the benchmark for comparison, we use the rank of the donation (while controlling for donation size), which could capture a donor's relative importance for the candidate. Overall, these findings are in line with the interpretation that receiving a contract incentivizes future donations, especially in races in which a quid pro quo is more likely to occur.

Table B1: Sensitivity analysis

Panel A: Any race

	$R^2_{Y \sim D\|\mathbf{X}}$	$RV_{q=1}$	Contract	S.E.	
	0.003	0.051	0.044	0.016	
	$R^2_{Z \sim D\|\mathbf{X}}$	$R^2_{Y \sim Z\|D,\mathbf{X}}$	Contract	S.E.	CI 95%
Donation×1	0.002	0.001	0.043	0.016	[0.011,0.075]
Donation×2	0.003	0.001	0.042	0.016	[0.010,0.074]
Donation×3	0.005	0.002	0.041	0.016	[0.009,0.073]

Panel B: Mayor

|	$R^2_{Y \sim D\|\mathbf{X}}$	$RV_{q=1}$	Contract	S.E.	
	0.002	0.04	0.027	0.013	
	$R^2_{Z \sim D\|\mathbf{X}}$	$R^2_{Y \sim Z\|D,\mathbf{X}}$	Contract	S.E.	CI 95%
Donation×1	0.001	0.002	0.026	0.013	[0.000,0.052]
Donation×2	0.002	0.004	0.025	0.013	[-0.001,0.051]
Donation×3	0.003	0.006	0.024	0.013	[-0.002,0.05]

$R^2_{Y \sim D\|\mathbf{X}}$ denotes the partial R-squared of the treatment with the outcome. $RV_{q=1}$ is the robustness value or residual variation of both the outcome and treatment that is sufficient for a confounder to explain away the effect. $R^2_{Z \sim D\|\mathbf{X}}$ is the partial R-squared of the confounder with the treatment, and $R^2_{Y \sim Z\|D,\mathbf{X}}$ is the partial R-squared of the confounder with the outcome.

C   Smooth pre-treatment variables and sorting test

Table C1 checks whether there are discontinuities in observed predetermined characteristics of candidates and average characteristics of their donors at the zero margin of victory. In general, the coefficients on electoral victory tend to be small relative to the mean of those variables and they are statistically insignificant.

To assess how the municipalities used in our estimations differ from other Colombian municipalities, we compare their characteristics in Table C2. We divide the sample into those where the margin of victory was less than 10%, and those where elections were not that close. Close-election municipality governments have a smaller share of their resources in total revenues and a larger share of the population living in rural areas. Minority candidates are also more likely to win or come second, and the campaigns tend to be smaller. This confirms that our findings more directly apply to rural areas that cover most municipalities in Colombia.

Figure C1: Sorting tests
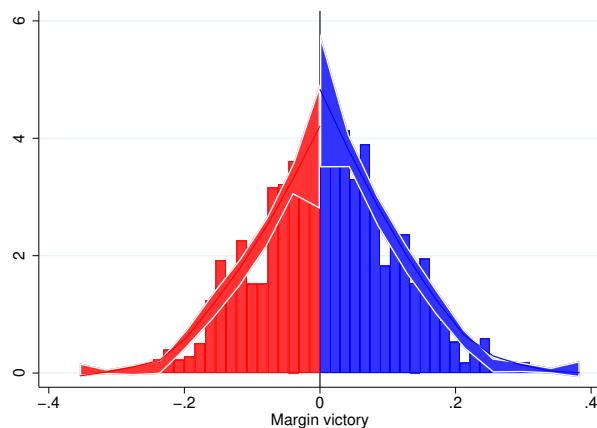
The figure shows the density of the running variable. The test of no discontinuity at the cutoff (Matias D. Cattaneo and Ma 2020) gives a statistic of 0.939 and a p-value of 0.348).

Table C1: Candidate characteristics around the electoral victory cutoff

	Mean (1)	Std. Dev. (2)	Victory (3)	CI 95% (4)	Obs. (5)	Band. Obs. (6)	Bandwith (7)	p-value (8)
Panel A:Candidates' characteristics								
Women	0.117	0.321	0.018	[-0.105,0.182]	1150	563	0.07	0.602
Age	44.908	9.710	0.285	[-3.421,4.061]	1047	642	0.09	0.867
Black	0.052	0.221	0.009	[-0.068,0.097]	1047	674	0.10	0.731
Indigenous	0.124	0.330	-0.041	[-0.202,0.086]	1047	529	0.07	0.432
Left wing	0.029	0.167	-0.036	[-0.133,0.037]	1150	587	0.07	0.269
Right wing	0.246	0.431	-0.125	[-0.316,0.013]	1150	592	0.07	0.071
Sanctioned	0.107	0.309	-0.053	[-0.183,0.085]	1150	592	0.07	0.471
Illegal Registration of ID.	0.003	0.059	-0.018	[-0.062,0.019]	1150	641	0.08	0.300
Political experience	0.441	0.497	-0.004	[-0.251,0.172]	1148	507	0.06	0.714
Held office before	0.358	0.480	0.016	[-0.206,0.190]	1148	551	0.06	0.940
Panel B: General funding covariates								
Donors (all)	5.756	8.590	0.466	[-2.298,3.618]	1150	680	0.08	0.662
Campaign revenue	64.122	128.786	15.288	[-23.703,57.499]	1150	717	0.09	0.415
Donations /Revenue	0.583	0.274	-0.078	[-0.201,0.028]	1150	535	0.06	0.138
Panel C: Donors characteristics								
Family	0.436	0.412	-0.007	[-0.203,0.149]	1150	552	0.06	0.761
Avg. Donation (non-family)	5.857	8.062	-3.764	[-10.745,1.775]	823	389	0.07	0.160
Avg. Donation (family)	10.229	12.369	-0.862	[-9.718,5.763]	778	358	0.06	0.617
Comptroller sanction	0.006	0.042	-0.011	[-0.024,0.003]	1150	514	0.06	0.138
Above limit	0.268	0.382	-0.133	[-0.337,0.006]	1150	480	0.05	0.059

Columns 1 and 2 report the descriptive statistics. Column 3 reports local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth (reported in column 7). Columns 4 and 8 report 95% robust confidence intervals and robust p-values computed following (Calonico, Cattaneo and Titiunik 2014). Columns 5 and 6 report total observations and observations in optimal MSE bandwidth. Sanctioned indicates the candidate has been sanctioned by the Office of the Inspector General. Donors and Donations include the totals for non-family and family donors. Family is the fraction of donors who are family members of the candidate. Above limit is the fraction of donors contributing above the individual legal limit.

Table C2: Close-election municipality characteristics

	Mean Margin. > 0.1	Mean Margin. ≤ 0.1	p-value H0: No difference in means
Panel A: Municipality characteristics			
Local revenue (% of total)	63.569	55.509	0.000
Registered voters	44.156	29.981	0.361
Armed group	0.276	0.217	0.077
Rural population	0.509	0.547	0.046
Underperforming schools	0.352	0.395	0.125
Discretionary revenue	354.732	385.607	0.933
Panel B: Candidates' characteristics			
Women	0.122	0.114	0.686
Age	45.318	44.695	0.325
Black	0.036	0.060	0.105
Indigenous	0.097	0.138	0.059
Left wing	0.020	0.033	0.219
Right wing	0.251	0.243	0.769
Sanctioned	0.112	0.104	0.709
Illegal Registration of ID.	0.003	0.004	0.696
Political experience	0.449	0.436	0.676
Held office before	0.378	0.347	0.303
Panel C: General funding covariates			
Donors	6.513	5.361	0.031
Campaign revenue	78.242	56.764	0.007
Donations /Revenue	0.593	0.578	0.385
Panel D: Donors' characteristics			
Family	0.392	0.460	0.008
Avg. Donation (non family)	6.012	5.769	0.679
Avg. Donation (family)	11.366	9.658	0.069
Comptroller sanction	0.007	0.005	0.546
Above limit	0.241	0.282	0.083

Local revenue denotes the percentage of own resources in all resources of the municipality. Armed group indicates the presence of guerrillas or paramilitary forces. Underperforming schools is the share of schools in the municipality classified below average performance by the Instituto Colombiano para la Evaluación de la Educación. Rural population is the share of the population living in rural areas. Sanctioned indicates the candidate has been sanctioned by the Office of the Inspector General. Donors and Donations include totals for non-family and family donors. Family is the fraction of donors who are family members of the candidate. Above limit is the fraction of donors contributing above the individual legal limit.

D Graphical representation of RD results (RD plots)

We present all RD-plots using the outcomes of the main results. For each set of results, we have 'local' RD plots that use the optimal MSE bandwidth sample and a linear fit and the 'global' plot that uses all the sample and fit a third-degree polynomial (Calonico, Cattaneo and Titiunik 2015).

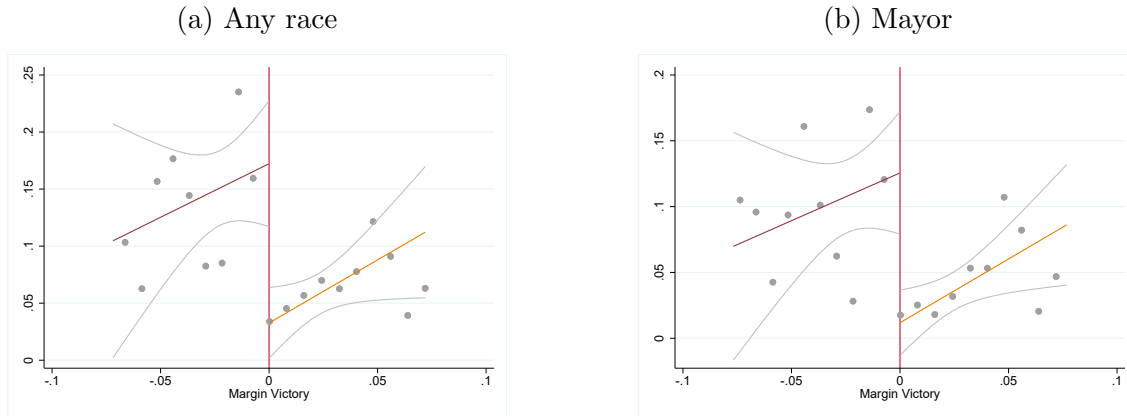Figure D1: Effect of donating to an election winner on future donations (local RD plots)

(a) Any race

(b) Mayor

Figure D2: Effect of donating to an election winner on future donations (global RD plots)
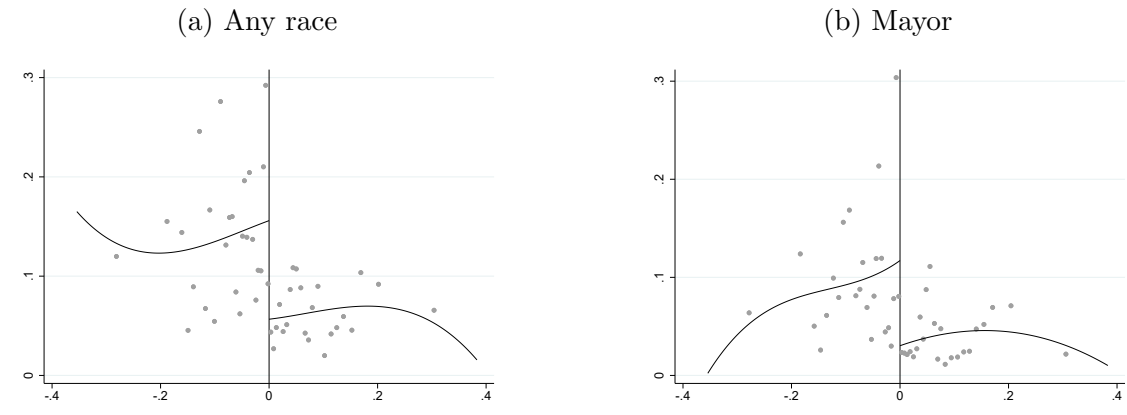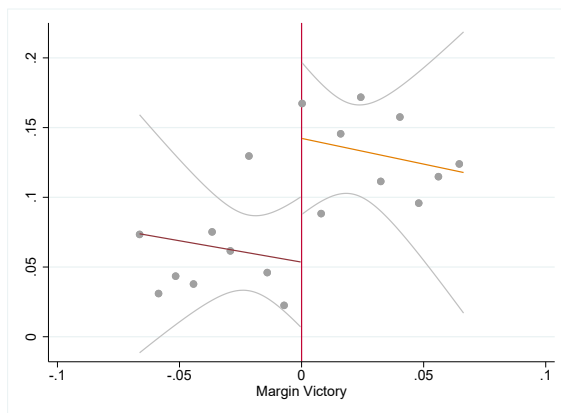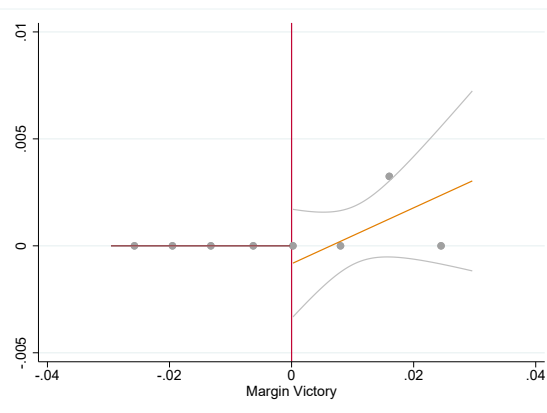
(a) Any race

(b) Mayor

Figure D3: Effect of electoral victory on benefits to donors (local RD plots)

(a) Receive contracts (non-family)

(b) Receive contracts (family)

(c) Receive outside contracts (family)

(d) Run in 2015

Figure D4: Effect of electoral victory on benefits to donors (global RD plots)
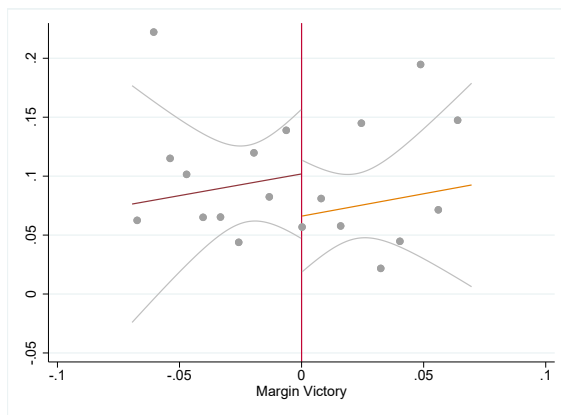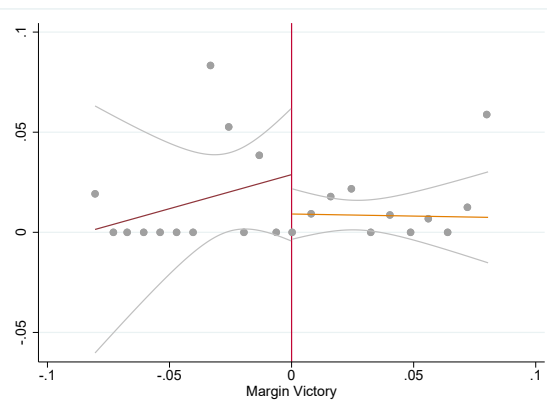
(a) Receive contracts (non-family)

(b) Receive contracts (family)

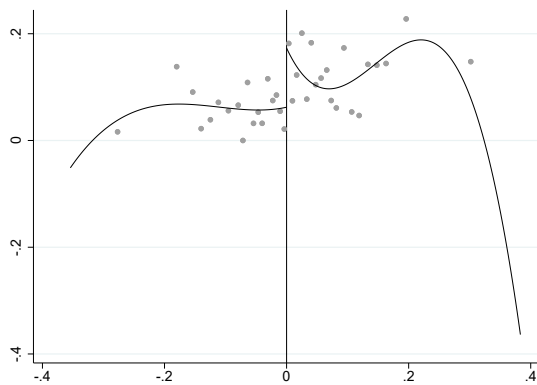(c) Receive outside contracts (family)
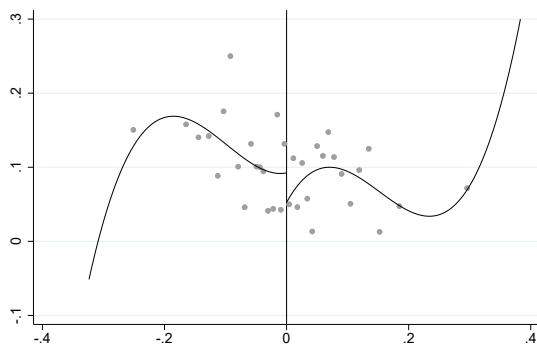
(d) Run in 2015

Figure D5: Effect of donating to an election winner on future donations (family and non-family local RD plots)

(a) Any race (family)

(b) Any race (non-family)

(c) Mayor (family)

(d) Mayor (non-family)

Figure D6: Effect of donating to an election winner on future donations (family and non-family global RD plots)

(a) Any race (family)

(b) Any race (non-family)

(c) Mayor (family)

(d) Mayor (non-family)

E   Sensitivity of RD results to bandwidth choice

These figures present estimates of electoral victory on the main outcomes of interest using alternative bandwidths. The optimal MSE bandwidth estimate appears in red.

Figure E1: Effect of donating to an election winner on future donations

(a) Any race

(b) Mayor
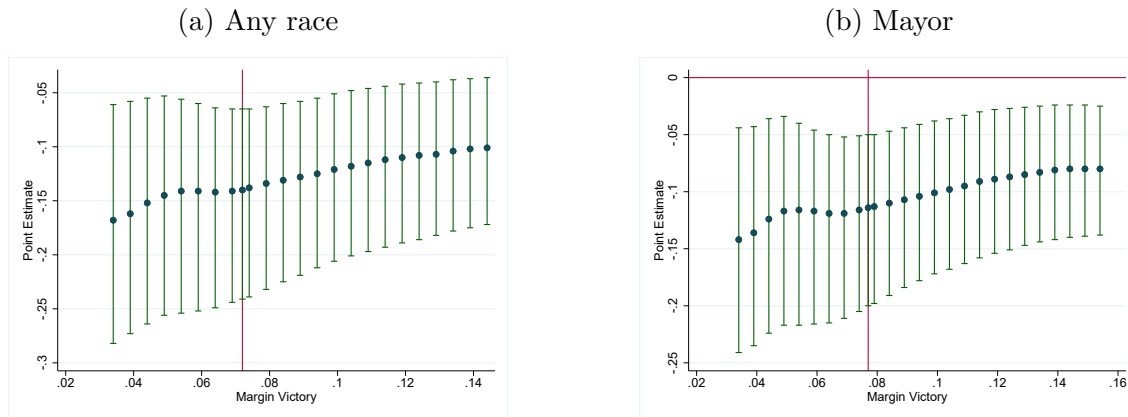
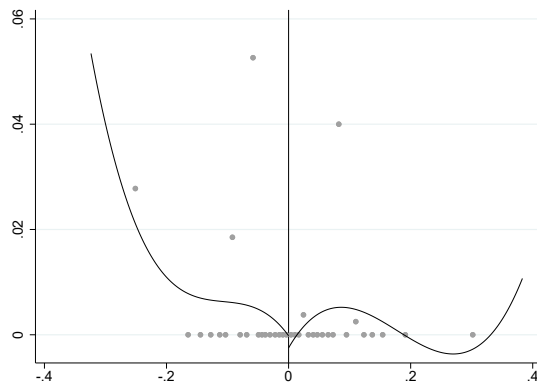Figure E2: Effect of electoral victory on benefits to donors

(a) Receive contract (non-family)

(b) Receive contract (family)

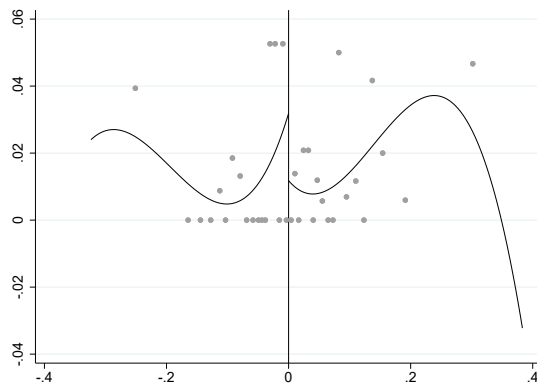(c) Receive outside govt. contract (family)

(d) Run in 2015

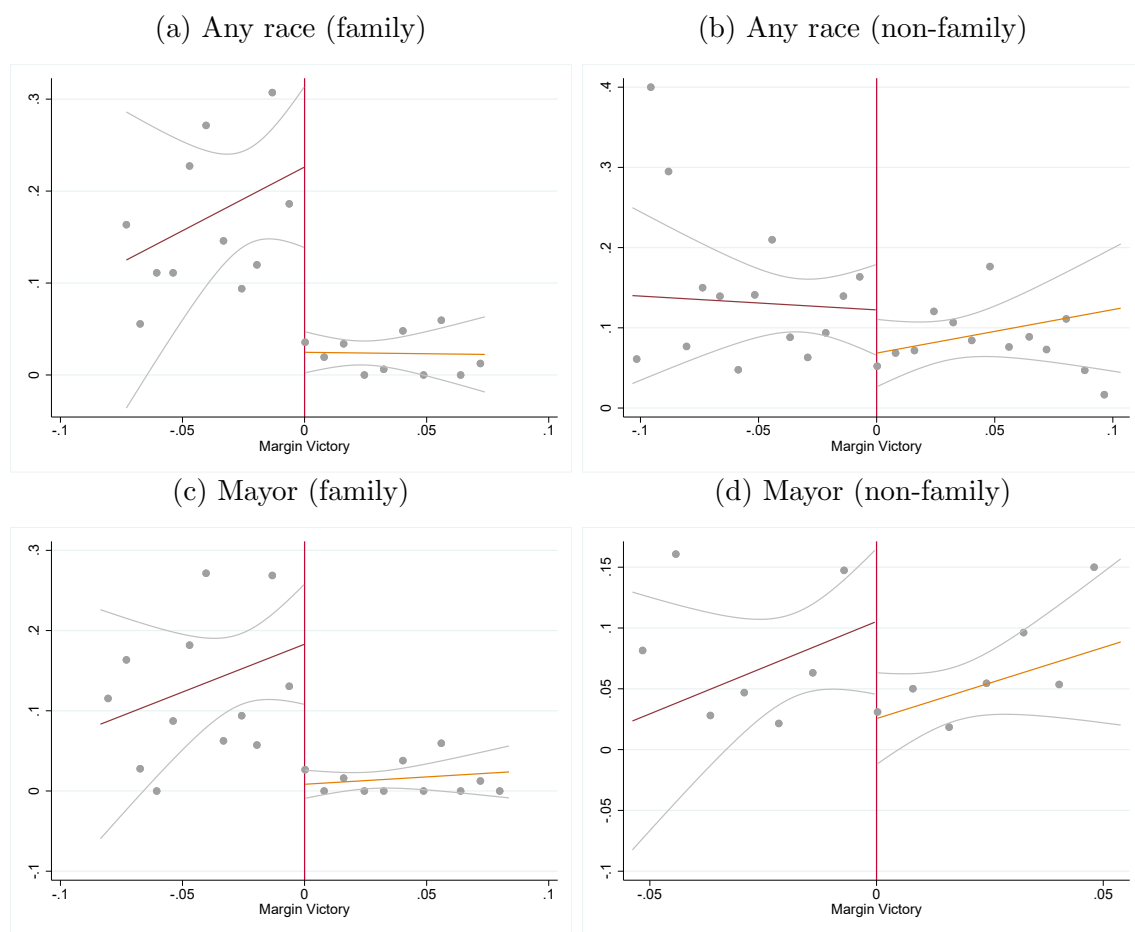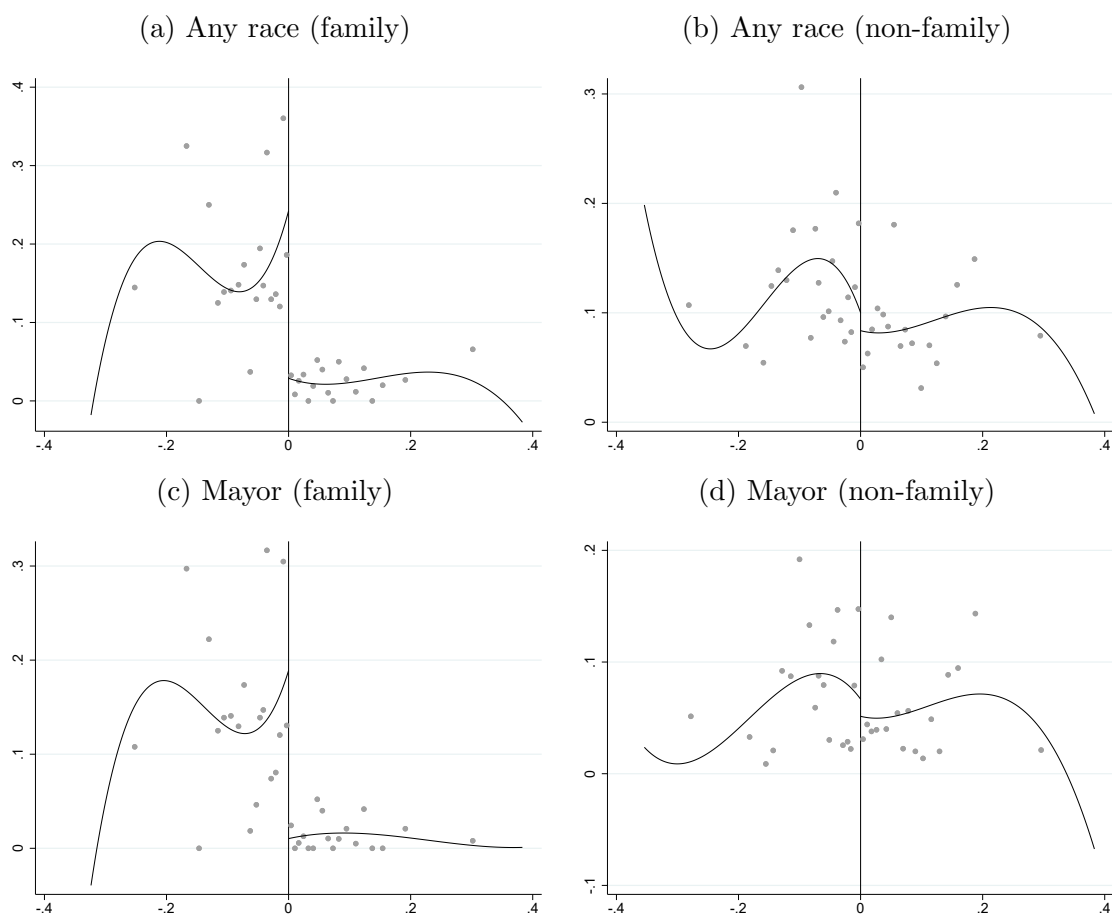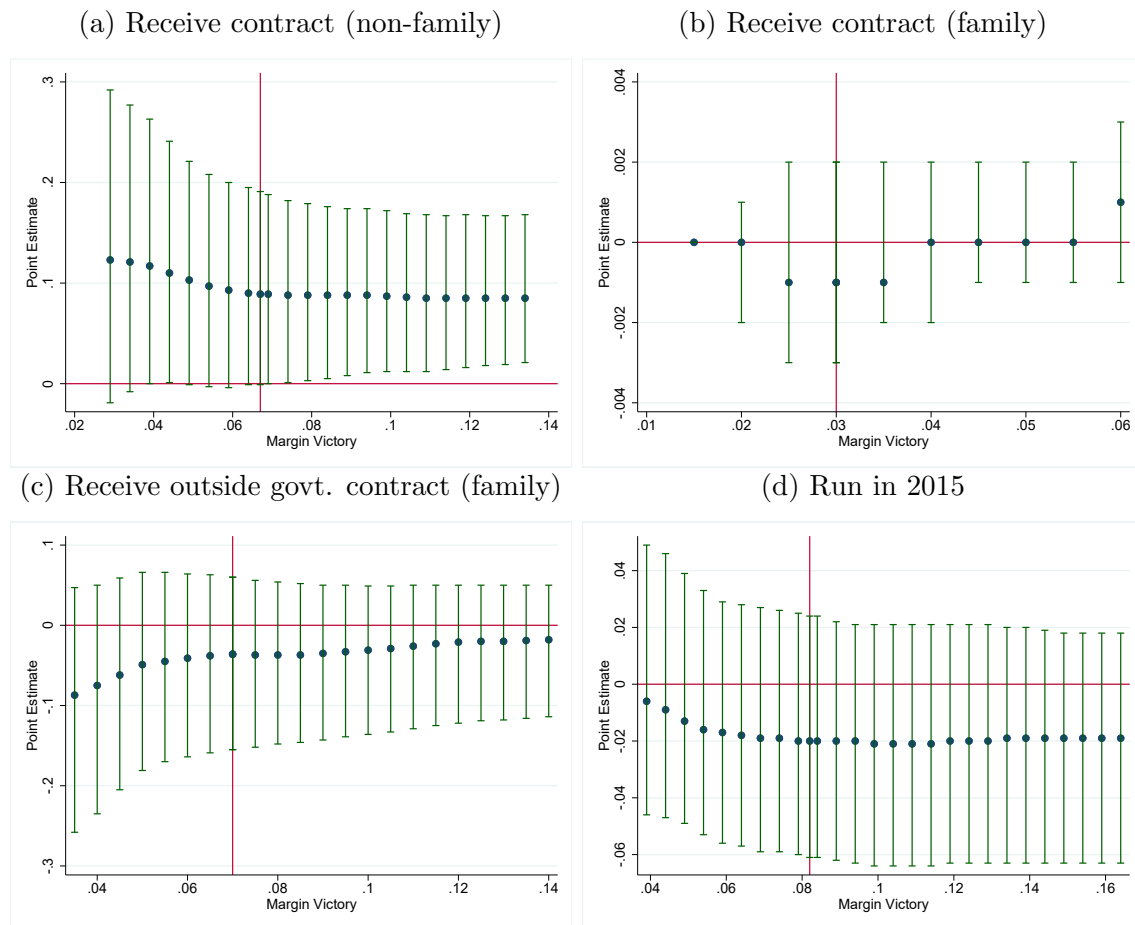Figure E3: Effect of donating to an election winner on future donations (family and non-family)

(a) Any race (family)

(b) Any race (non-family)

(c) Mayor (family)

(d) Mayor (non-family)
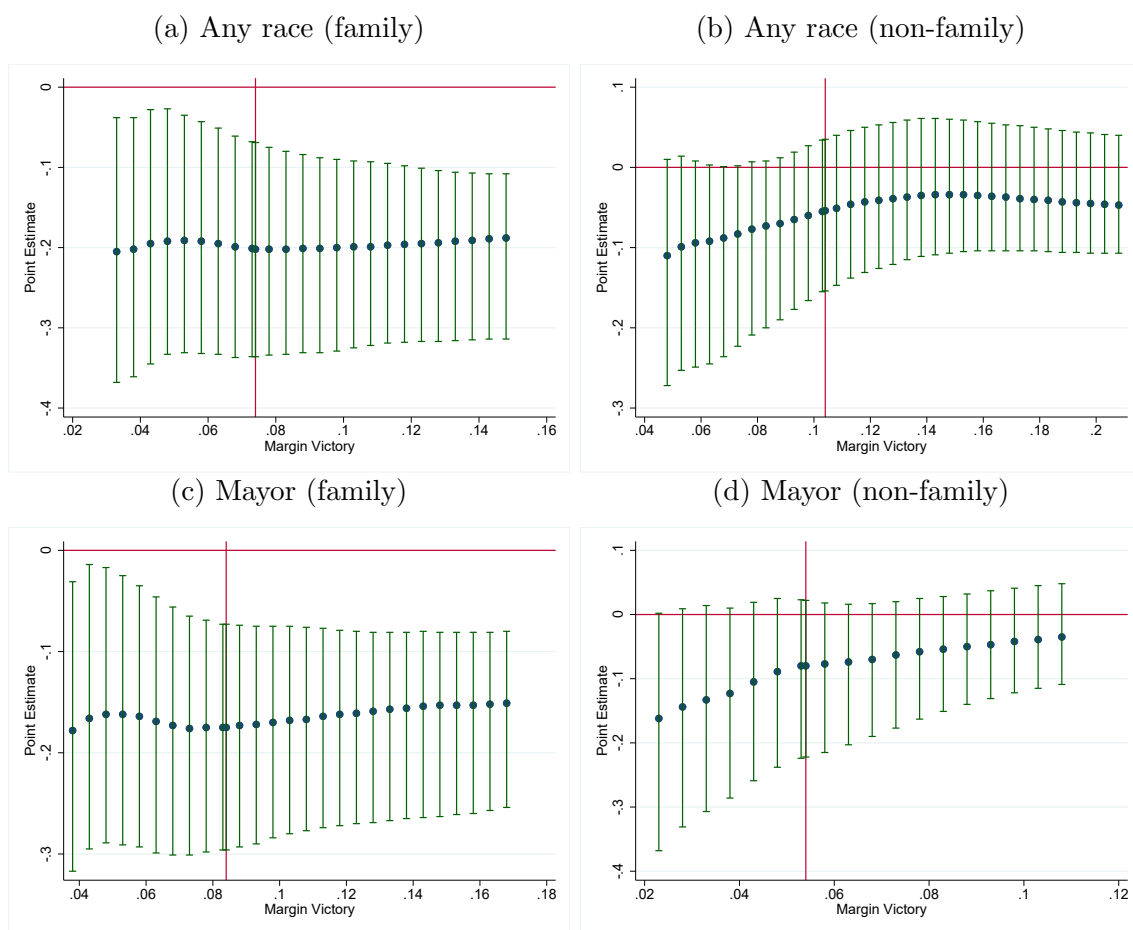
F Other global parametric RD results

This appendix presents the results of all RD regressions in the paper that rely on alternative parametric assumptions. Recall that the main results report results of the local linear estimator with MSE optimal bandwidths as well as full sample linear regression model results that allow for different slopes on both sides of the cutoff. Tables F1, F2, and F3 report results of models that fit different quadratic polynomials on both sides of the cutoff. Tables F4 and F5 examine whether the differences in electoral victory effects for family and not family donors reported in Table 3 are statistically significant using global parametric linear and quadratic specifications. Reassuringly, the interaction term as well as the coefficient on the treatment are similar and significant at conventional levels

Table F1: Effect of donating to an election winner on future donations (global quadratic parametric RD)

Outcome:	Any race	Mayor
	(1)	(2)
Electoral victory	-0.100	-0.083
p-value	0.001	0.001
CI 95%	[-0.158,-0.043]	[-0.131,-0.034]
Observations	1150	1150
Mean	0.098	0.066

OLS estimates of average treatment effects at the cutoff. Controls include the interaction of the treatment with running variable and running variable, interaction of the treatment with the squared running variable, and the running variable squared. P-values and 95% robust confidence intervals with clustering at the municipality level.

Table F2: Effect of electoral victory on benefits to donors (global parametric quadratic RD)

Outcome:	Receive contract (municipality)		Receive contract (outside)	Runs in 2015
	Non-Family	Family	Family	Family
	(3)	(4)	(5)	(6)
Electoral victory	0.070	-0.002	0.014	-0.024
p-value	0.023	0.401	0.689	0.184
CI 95%	[0.010,0.131]	[-0.007,0.003]	[-0.053,0.080]	[-0.058,0.011]
Observations	823	778	778	778
Mean	0.096	0.006	0.097	0.015

OLS estimates of average treatment effects at the cutoff. Controls include the interaction of the treatment with running variable and running variable, interaction of the treatment with the squared running variable, and the running variable squared. P-values and 95% robust confidence intervals with clustering at the municipality level.

Table F3: Effect of donating to an election winner on future donations (candidates' family members and non-members, global quadratic parametric RD)

Outcome :	Any race (1)	Mayor (2)
Panel A: Candidates' family members		
Electoral victory	-0.172	-0.142
p-value	0.000	0.000
CI 95%	[-0.257,-0.087]	[-0.217,-0.066]
Observations	778	778
Mean	0.088	0.070
Panel B: Non-family members		
Electoral victory	-0.054	-0.036
p-value	0.116	0.193
CI 95%	[-0.121,0.013]	[-0.090,0.018]
Observations	823	823
Mean	0.106	0.065

OLS estimates of average treatment effects at the cutoff. Controls include the interaction of the treatment with running variable and running variable, interaction of the treatment with the squared running variable, and the running variable squared. P-values and 95% robust confidence intervals with clustering at the municipality level.

Table F4: Effect of donating to an election winner on future donations (candidates' family members and non-members, interaction global parametric linear RD)

Outcome :	Any race (1)	Mayor (2)
Electoral victory	-0.059	-0.041
Robust p-value	0.023	0.046
CI 95%	[-0.110,-0.008]	[-0.081,-0.001]
Electoral victory × Family	-0.105	-0.091
Robust p-value	0.010	0.006
CI 95%	[-0.185,-0.025]	[-0.156,-0.026]
Electoral victory (Family)	-0.164	-0.132
Robust p-value	0.000	0.000
CI 95%	[-0.228,-0.101]	[-0.188,-0.076]
Observations	1601	1601
Mean	0.098	0.068

OLS estimates of average treatment effects at cutoff. Controls include interaction of treatment with running variable and running variable. 95% robust confidence intervals and p-values with clustering at the municipality level.

Table F5: Effect of donating to an election winner on future donations (candidates' family members vs. Non members global parametric quadratic RD)

Outcome :	Any race (1)	Mayor (2)
Electoral victory	-0.054	-0.036
Robust p-value	0.116	0.193
CI 95%	[-0.121,0.013]	[-0.090,0.018]
Electoral victory × Family	-0.118	-0.106
Robust p-value	0.028	0.015
CI 95%	[-0.224,-0.013]	[-0.191,-0.021]
Electoral victory (Family)	-0.172	-0.142
Robust p-value	0.000	0.000
CI 95%	[-0.257,-0.087]	[-0.217,-0.066]
Observations	1601	1601
Mean	0.098	0.068

OLS estimates of average treatment effects at the cutoff for family and non- family donors. Controls include the interaction of the treatment with running variable and running variable, interaction of the treatment with the squared running variable, the running variable squared, interaction of family dummy with all previous variables, and family dummy. P-values and 95% robust confidence intervals with clustering at the municipality level.

G Donor-level RD Results

This appendix reports donor-level RD results. All estimation choices follow the ones described in the paper. These regressions implicitly give more weight to municipalities where candidates have more donors, that is, larger municipalities. They also do not use an MSE optimal bandwidth because there are mass points in the running variable. With those caveats in mind, we still find a significant negative effect of donating to the winner on donating to any local race in 2015. Donating to the mayor reduced the probability of donating 6.5 pp, more than half the baseline rate of future donations among donors to the top candidates (column 1 Table G1). Family donors will be 16.5 pp less likely to donate to any local race in the next elections than donors to the runner up. The local linear estimates for non-family donors are not significant.

Table G1: Effect of donating to an election winner on future donations (donor-level)

Outcome:	Any race (1)	Mayor (2)
Local linear		
Electoral victory	-0.065	-0.060
Robust p-value	0.046	0.055
CI 95%	[-0.129,-0.001]	[-0.133,0.001]
Parametric (linear)		
Electoral victory	-0.089	-0.081
p-value	0.000	0.000
CI 95%	[-0.124,-0.054]	[-0.114,-0.048]
Observations	6627	6416
Bandwidth obs.	3617	3023
Mean	0.096	0.066
Bandwidth	0.08	0.07

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. 95% robust confidence intervals and robust p-values with clustering at the municipality level are computed following Calonico, Cattaneo and Titiunik (2014). Parametric linear model specification includes interaction of the treatment with running variable and running variable. Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table G2: Effect of electoral victory on benefits to donors (donor-level)

Outcome:	Total contracts (municipality)		Receive contract (municipality)		Receive contract (outside)	Runs in 2015
	Non-Family	Family	Non-Family	Family	Family	Family
	(1)	(2)	(3)	(4)	(5)	(6)
Local (linear)						
Electoral victory	1.103	0.001	0.070	0.001	-0.037	-0.009
Robust p-value	0.013	0.493	0.180	0.333	0.347	0.427
CI 95%	[0.236,2.033]	[-0.002,0.004]	[-0.029,0.154]	[-0.001,0.003]	[-0.125,0.044]	[-0.039,0.016]
Parametric linear						
Electoral victory	0.848	0.005	0.096	0.002	-0.029	0.007
p-value	0.000	0.662	0.000	0.623	0.196	0.440
CI 95%	[0.430,1.267]	[-0.018,0.028]	[0.056,0.137]	[-0.007,0.012]	[-0.074,0.015]	[-0.011,0.025]
Observations	4866	1761	4866	1761	1761	1761
Bandwidth obs.	3063	702	2619	706	1050	850
Mean	0.688	0.006	0.108	0.004	0.095	0.014
Bandwidth	0.11	0.05	0.08	0.05	0.09	0.06

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. Robust p-values with clustering at the municipality level and 95% robust confidence intervals are computed following Calonico, Cattaneo and Titiunik (2014). The parametric linear model specification includes interaction of the treatment with running variable and running variable. Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table G3: Effect of donating to an election winner on future donations (candidates' family members vs. Non members, donor-level)

Outcome :	Any race (1)	Mayor (2)
Panel A: Candidates' family members		
Local linear		
Electoral victory	-0.165	-0.163
Robust p-value	0.010	0.007
CI 95%	[-0.302,-0.040]	[-0.294,-0.047]
Parametric (linear)		
Electoral victory	-0.156	-0.138
Robust p-value	0.000	0.000
CI 95%	[-0.218,-0.093]	[-0.194,-0.082]
Observations	1761	1729
Bandwidth obs.	903	893
Mean	0.090	0.073
Bandwidth	0.07	0.07
Panel B: Non-family members		
Local linear		
Electoral victory	-0.035	-0.046
Robust p-value	0.326	0.163
CI 95%	[-0.110,0.037]	[-0.133,0.022]
Parametric (linear)		
Electoral victory	-0.061	-0.056
Robust p-value	0.004	0.003
CI 95%	[-0.102,-0.020]	[-0.093,-0.019]
Observations	4866	4687
Bandwidth obs.	2430	1776
Mean	0.098	0.063
Bandwidth	0.07	0.05

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. Robust p-values with clustering at the municipality level and 95% robust confidence intervals are computed following Calonico, Cattaneo and Titiunik (2014). Parametric linear model specification includes interaction of the treatment with the running variable and running variable. Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

G.1 Donor-level selection on observable results

In this appendix, we use an alternative empirical strategy to estimate the effect of donating to the winner on future donations and on the benefits donors receive. This approach imposes stronger assumptions than the one used in the baseline results as it relies on us having all potential confounders in our dataset. It also uses the whole sample rather than concentrating on places where elections were close. With those caveats in mind, we condition on available observable characteristics of donors and candidates used as controls in models of Table 4. The results are generally consistent with what we have seen with the quasi-experimental estimates. There is a negative relationship between donating to the winner and donating in the future; non-family donors to the winner tend to receive contracts from the winner, and family donors are not more likely to receive benefits via contracts. The effects of electoral victory on future donations, however, tend to be smaller in these models and FE models show no clear relationship between donating to the winner and donating in the future. Once we separate family from non-family donors, however, we see very similar results as those obtained with the RD approach (Table G7). Also, restricting the sample to close elections with the pooled sample (family and not family models) gives more similar results to those found with the RD approach. This, again, is consistent with the view that in a close election, it is more likely that the runner-up will run and win in the next election, motivating her donors to donate again in the future.

Table G4: Effect of donating to an election winner on future donations (donor-level)

Outcome:	Any race (1)	Mayor (2)
Electoral victory	-0.030	-0.024
p-value	0.051	0.070
CI 95%	[-0.060,0.000]	[-0.051,0.002]
Electoral victory (FE)	0.005	0.007
p-value	0.796	0.676
CI 95%	[-0.033,0.043]	[-0.027,0.042]
Observations	4863	4684
Mean	0.097	0.063

Ordinary least squares (OLS) estimates of the effect of donating to the winner on donating in the next election. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, party is not left-wing or right-wing, and non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

Table G5: Effect of donating to an election winner on future donations for close elections (donor-level)

Outcome:	Any race (1)	Mayor (2)
Electoral victory	-0.038	-0.028
p-value	0.003	0.019
CI 95%	[-0.063,-0.013]	[-0.052,-0.005]
Electoral victory (FE)	-0.019	-0.019
p-value	0.276	0.256
CI 95%	[-0.053,0.015]	[-0.053,0.014]
Observations	3426	3033
Mean	0.097	0.066

Ordinary least squares (OLS) estimates of the effect of donating to the winner on donating in the next election. Samples correspond to observations within RD MSE optimal bandwidth. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, party is not left-wing or right-wing, non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, and rank of donation among all donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

Table G6: Effect of electoral victory on benefits to donors (donor-level)

Outcome:	Total contracts (municipality)		Receive contract (municipality)		Receive contract (outside)	Runs in 2015
	Non-Family	Family	Non-Family	Family	Family	Family
	(1)	(2)	(3)	(4)	(5)	(6)
Electoral victory	0.640	-0.008	0.077	-0.003	-0.045	0.004
p-value	0.000	0.198	0.000	0.405	0.002	0.536
CI 95%	[0.400,0.881]	[-0.021,0.004]	[0.053,0.102]	[-0.009,0.004]	[-0.073,-0.017]	[-0.008,0.015]
Electoral victory (FE)	0.554	-0.011	0.074	-0.002	-0.046	-0.006
p-value	0.000	0.379	0.000	0.714	0.063	0.617
CI 95%	[0.252,0.855]	[-0.034,0.013]	[0.043,0.106]	[-0.011,0.007]	[-0.094,0.003]	[-0.028,0.017]
Observations	4863	1758	4863	1758	1758	1758
Mean	0.688	0.006	0.108	0.004	0.095	0.014

Ordinary least squares (OLS) estimates of the effect of donating to the winner on benefits received by the donor. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, party is not left-wing or right-wing, and non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all family and non-family donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

Table G7: Effect of donating to an election winner on future donations (candidates' family members vs. Non members global parametric linear RD)

Outcome :	Any race	Mayor
	(1)	(2)
Panel A: Candidates' family members		
Electoral victory	-0.144	-0.140
p-value	0.000	0.000
CI 95%	[-0.181,-0.106]	[-0.175,-0.104]
Electoral victory (FE)	-0.145	-0.127
p-value	0.000	0.000
CI 95%	[-0.207,-0.083]	[-0.186,-0.068]
Observations	1758	1726
Mean	0.090	0.073
Panel B: Non-family members		
Electoral victory	-0.030	-0.024
p-value	0.050	0.070
CI 95%	[-0.060,0.000]	[-0.051,0.002]
Electoral victory (FE)	0.005	0.007
p-value	0.796	0.678
CI 95%	[-0.033,0.043]	[-0.028,0.042]
Observations	4863	4684
Mean	0.097	0.063

Ordinary least squares (OLS) estimates of the effect of donating to the winner on donating in the next election. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, party is not left-wing or right-wing, and non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

G.2 Comparison donors to the winner and third-placed candidates

This appendix reports comparisons of the rate of future donations for donors to the winner and to the third-placed candidate. We adopt a selection on observables approach by controlling for all the characteristics of candidates and donors included in the models of Table 4. Tables G8 and G10 show that donors to the winner of the mayoral race in 2011 tend to be less likely to donate in the future, especially for family members of the candidate. For the pooled sample (family and non family donors) and non-family donors the coefficient on donating to the winner is not significant and, for models that control for municipality effects, the coefficient is close to zero. Also, note that the coefficients tend to be smaller in magnitude than those of analogous specification and estimation strategy that compare future donations to the winner and to the runner-up candidate (Tables G4 and G7).

These results help us interpret the baseline results of the paper. While donors to the winner will not see the candidate they donated to running again because of term limits, donors to the runner-up will likely be able to donate to the same person. Consumer donors, who tend to have a close personal connection to the candidate, and who donate to the runner-up candidate will be motivated to donate again since the same candidate is likely to run, while donors to the winner will not. As mentioned in the paper, our baseline findings capture both of these reactions. If we use donors to the third-placed candidates rather than donors to the runner up, fewer of these donors will have their candidates running again (among the candidates in our estimating sample, 28% of the third-placed candidates in 2011 run again in 2015 for mayor, while 54% of runner-up candidates do), and therefore, these consumer donors will be more similar to those who donated to the winner. We should then expect that for consumer donors who are mainly motivated to donate based on personal connections, the effects must be weaker, which is what we find.

Table G8: Effect of donating to an election winner on future donations comparison with third-placed candidate (donor-level)

Outcome:	Any race (1)	Mayor (2)
Electoral victory	-0.006	-0.010
p-value	0.677	0.456
CI 95%	[-0.035,0.023]	[-0.036,0.016]
Electoral victory (FE)	0.006	-0.015
p-value	0.786	0.441
CI 95%	[-0.038,0.050]	[-0.052,0.023]
Observations	4199	4055
Mean	0.087	0.054

Ordinary least squares (OLS) estimates of the effect of donating to the winner on donating in the next election. Sample includes donors of winner and third-placed candidate. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, party is not left-wing or right-wing, and non family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all family and non family donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

Table G9: Effect of electoral victory on benefits to donors comparison with third-placed candidate (donor-level)

Outcome:	Total contracts (municipality)		Receive contract (municipality)		Receive contract (outside)	Runs in 2015
	Non-Family	Family	Non-Family	Family	Family	Family
	(1)	(2)	(3)	(4)	(5)	(6)
Electoral victory	0.771	-0.032	0.096	-0.012	-0.030	-0.009
p-value	0.000	0.091	0.000	0.032	0.080	0.264
CI 95%	[0.529,1.013]	[-0.068,0.005]	[0.073,0.119]	[-0.023,-0.001]	[-0.063,0.004]	[-0.026,0.007]
Electoral victory (FE)	0.668	-0.023	0.093	-0.011	-0.020	-0.015
p-value	0.000	0.243	0.000	0.358	0.634	0.527
CI 95%	[0.352,0.983]	[-0.061,0.016]	[0.062,0.124]	[-0.035,0.013]	[-0.104,0.064]	[-0.060,0.031]
Observations	4199	1579	4199	1579	1579	1579
Mean	0.724	0.013	0.113	0.006	0.082	0.019

Ordinary least squares (OLS) estimates of the effect of donating to the winner on benefits received by the donor. Sample includes donors to the winner and third-placed candidates. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, and non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all family and non-family donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

Table G10: Effect of donating to an election winner on future donations comparison with third-placed candidate (candidates' family members vs. Non members)

Outcome :	Any race	Mayor
	(1)	(2)
Panel A: Candidates' family members		
Electoral victory	-0.061	-0.054
p-value	0.001	0.001
CI 95%	[-0.095,-0.027]	[-0.087,-0.022]
Electoral victory (FE)	-0.071	-0.048
p-value	0.082	0.229
CI 95%	[-0.152,0.009]	[-0.126,0.030]
Observations	1579	1548
Mean	0.050	0.031
Panel B: Non-family members		
Electoral victory	-0.006	-0.010
p-value	0.677	0.454
CI 95%	[-0.035,0.023]	[-0.036,0.016]
Electoral victory (FE)	0.007	-0.014
p-value	0.760	0.460
CI 95%	[-0.038,0.051]	[-0.051,0.023]
Observations	4199	4055
Mean	0.087	0.054

Ordinary least squares (OLS) estimates of the effect of donating to the winner on donating in the next election. Sample includes donors to the winner and third-placed candidates. All models include as controls: candidate's illegal registration of ID, being sanctioned by the Office of the Inspector General, elected posts, ran as candidate in past elections, and non-family donations as a fraction of campaign revenue, logged value of donation, donated above legal limit, sanctioned, rank of donation among all family and non-family donors. FE denote municipality fixed effects. Confidence intervals and p-values with clusters at the municipality level.

H   Donating to a local council election winner

Because mayors cannot run for immediate reelection, it is impossible to ascertain whether there is an efficacy boost that encourages donations after donating to an election winner, as proposed by behavioral theories. Our baseline results, however, are consistent with the idea that if such an efficacy boost exists, it is outweighed by the loss in utility of not being able to donate to the same candidate.

In this appendix, we exploit the fact that local councilors can run for immediate reelection to study whether a behavioral effect is linked to increased efficacy after donating to the winner. Moreover, as shown below, bare seat-winners and losers in the Colombian local councils run in the next elections at similar rates. A second advantage of examining donors to the 2011 local council races, is that investment motivations are less likely to be at play. Local councilors do not administer resources as the mayor, so their influence over contract allocation is much smaller.

Regarding our empirical strategy, we once again estimate the causal effect of donating to the winner using a close election RD design with the same estimation choices described in the paper. Local councils use a D'Hondt rule to allocate seats to party-lists, and parties can choose between closed and open lists. We run our analysis on those parties that choose open lists. To apply the regression discontinuity design, we focus on the comparison of future rates of donations of donors to the last seat winner with that of donors to the first loser in the same party list. In particular, our running variable is constructed as follows: we order candidates for each list according to their individual votes, we then calculate a 'victory threshold' as the average of the votes obtained by the last elected candidate and the first non-elected candidate, and finally, we take the difference of the vote of these candidates and the victory threshold normalizing by the votes of the list. That is, the running variable measures the closeness in vote shares between the last winner and the first loser in the same list. In our sample, we include all the last winners and first losers in council races who had at least one donor (family or non-family) ($n = 1757$).

Table H3 shows that consistent with the continuity of potential outcomes identification assumption, and with the exception of gender, there are no jumps at the zero margin of victory cutoff in predetermined characteristics of candidates, funding covariates, or average donors' characteristics. We note that some characteristics of candidates available for the top-two mayoral races are unavailable for council candidates like race or party ideology. There are also no clear differences in the distribution of observations at the cutoff H3.

Table H1 and H2 present the main results. Column 3 shows that there is no significant effect on winning on the candidate running again. The parametric estimator gives a different message, but a close inspection of the RD-plot (see Figure H1) reveals that a global linear parametric RD would mistakenly capture a discontinuity where there is, in fact, a non-linearity near the cutoff. The message from these tables is that there is no significant positive difference between the rates of future donations of donors to the last seat winner and donors to the first loser within a party list when the election was very close. This conclusion is robust to alternative bandwidths as shown in Figures H4 and H5.

Table H1: Effect of donating to an election winner on future donations (local councils)

Outcome:	Any race (1)	Council (2)	Runs again (3)
Local linear			
Electoral victory	-0.047	-0.067	0.032
Robust p-value	0.199	0.061	0.865
CI 95%	[-0.143,0.030]	[-0.161,0.004]	[-0.126,0.150]
Parametric (linear)			
Electoral victory	-0.006	-0.006	0.202
p-value	0.751	0.688	0.000
CI 95%	[-0.041,0.030]	[-0.036,0.024]	[0.137,0.267]
Observations	1757	1757	1757
Bandwidth obs.	1083	969	969
Mean	0.124	0.080	0.563
Bandwidth	5.67	4.74	4.74

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. 95% robust confidence intervals and robust p-values with clustering at the municipality level are computed following Calonico, Cattaneo and Titiunik (2014). Parametric linear model specification includes interaction of the treatment with running variable and running variable. Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table H2: Effect of donating to an election winner on future donations (candidates' family members vs. Non members, local councils)

Outcome :	Any race (1)	Council (2)
Panel A: Candidates' family members		
Local linear		
Electoral victory	-0.026	-0.036
Robust p-value	0.554	0.361
CI 95%	[-0.138,0.074]	[-0.145,0.053]
Parametric (linear)		
Electoral victory	0.009	0.030
Robust p-value	0.722	0.178
CI 95%	[-0.042,0.061]	[-0.014,0.074]
Observations	981	981
Bandwidth obs.	639	608
Mean	0.095	0.079
Bandwidth	6.13	5.59
Panel B: Non-family members		
Local linear		
Electoral victory	-0.020	-0.054
Robust p-value	0.733	0.231
CI 95%	[-0.127,0.090]	[-0.170,0.041]
Parametric (linear)		
Electoral victory	-0.012	-0.025
Robust p-value	0.616	0.214
CI 95%	[-0.058,0.034]	[-0.065,0.015]
Observations	1007	1007
Bandwidth obs.	745	621
Mean	0.154	0.088
Bandwidth	7.87	5.83

Local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth. Robust p-values with clustering at the municipality level and 95% robust confidence intervals are computed following Calonico, Cattaneo and Titiunik (2014). Parametric linear model specification includes interaction of the treatment with the running variable and running variable. Bandwidth obs. denotes the number of observations in the optimal MSE bandwidth.

Table H3: Candidate characteristics around the electoral victory cutoff

	Mean (1)	Std. Dev. (2)	Victory (3)	CI 95% (4)	Obs. (5)	Band. Obs. (6)	Bandwith (7)	p-value (8)
Panel A:Candidates' characteristics								
Women	0.214	0.410	0.113	[0.013,0.226]	1757	1180	6.57	0.028
Sanctioned	0.028	0.165	0.026	[-0.022,0.082]	1757	1160	6.39	0.254
Political experience	0.197	0.398	0.071	[-0.029,0.199]	1756	1066	5.54	0.144
Held office before	0.122	0.327	0.047	[-0.038,0.145]	1756	1152	6.31	0.253
Panel B: General funding covariates								
Donors (all)	1.908	4.722	0.561	[-1.560,2.813]	1757	1308	7.84	0.575
Campaign revenue	7.084	15.161	0.589	[-6.498,7.480]	1757	1252	7.19	0.891
Donations /Revenue	0.707	0.319	0.014	[-0.067,0.107]	1757	1049	5.40	0.656
Panel C: Donors' characteristics								
Family	0.488	0.470	-0.068	[-0.205,0.044]	1757	1217	6.92	0.204
Avg. Donation (non-family)	1.789	4.090	-0.465	[-1.994,1.230]	1007	745	7.81	0.643
Avg. Donation (family)	2.765	4.096	0.920	[-0.779,2.835]	981	647	6.27	0.265
Comptroller sanction	0.009	0.092	0.012	[-0.005,0.033]	1757	1215	6.91	0.158
Above limit	0.269	0.426	0.036	[-0.080,0.167]	1734	1079	5.76	0.489

Columns 1 and 2 report the descriptive statistics. Column 3 reports local linear estimates of average treatment effects at the cutoff estimated with triangular kernel weights and optimal MSE bandwidth (reported in column 7). Columns 4 and 8 report 95% robust confidence intervals and robust p-values computed following (Calonico, Cattaneo and Titiunik 2014). Columns 5 and 6 report total observations and observations in optimal MSE bandwidth. Sanctioned indicates the candidate has been sanctioned by the Office of the Inspector General. Donors and Donations include the totals for non-family and family donors. Family is the fraction of donors who are family members of the candidate. Above limit is the fraction of donors contributing above the individual legal limit.

Figure H1: Effect of electoral victory on future donations (local councils)
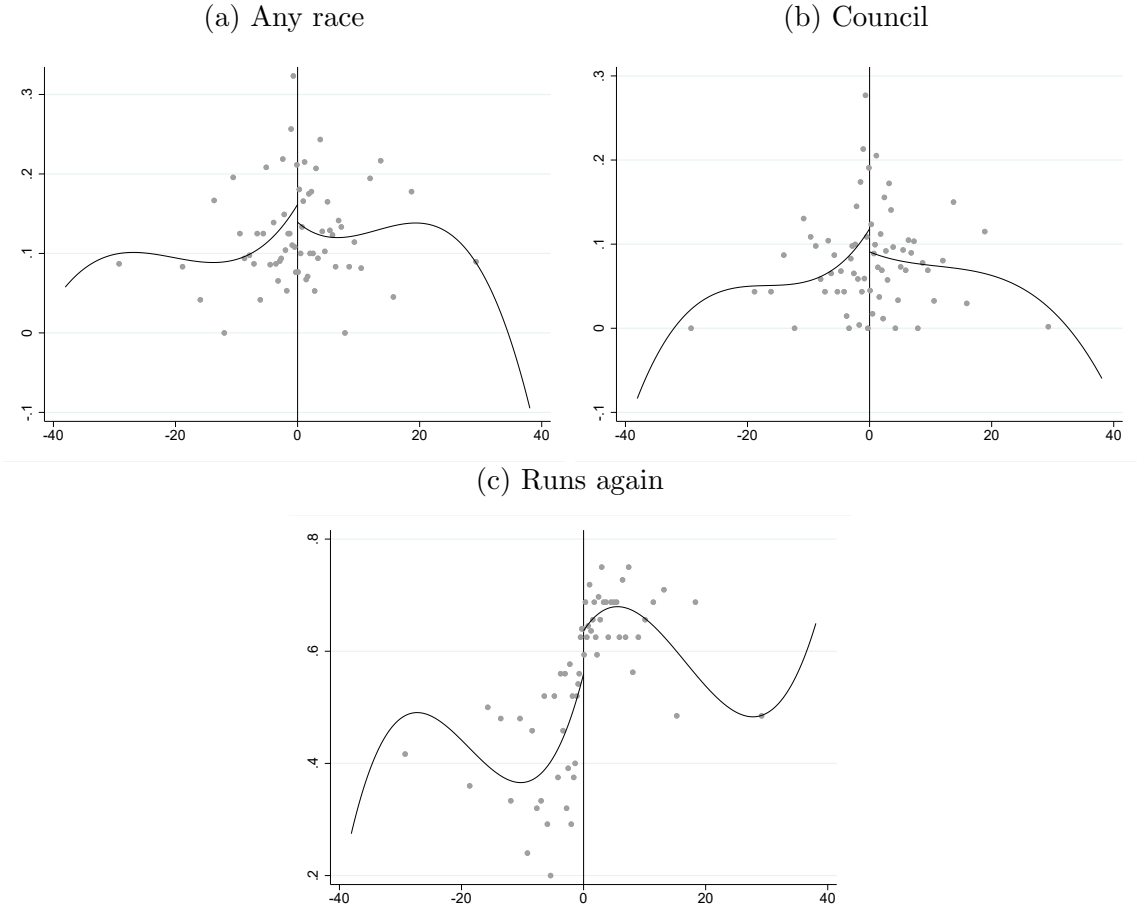
(a) Any race

(b) Council

(c) Runs again

Figure H2: Effect of donating to an election winner on future donations (family and non-family)

(a) Any race (family)

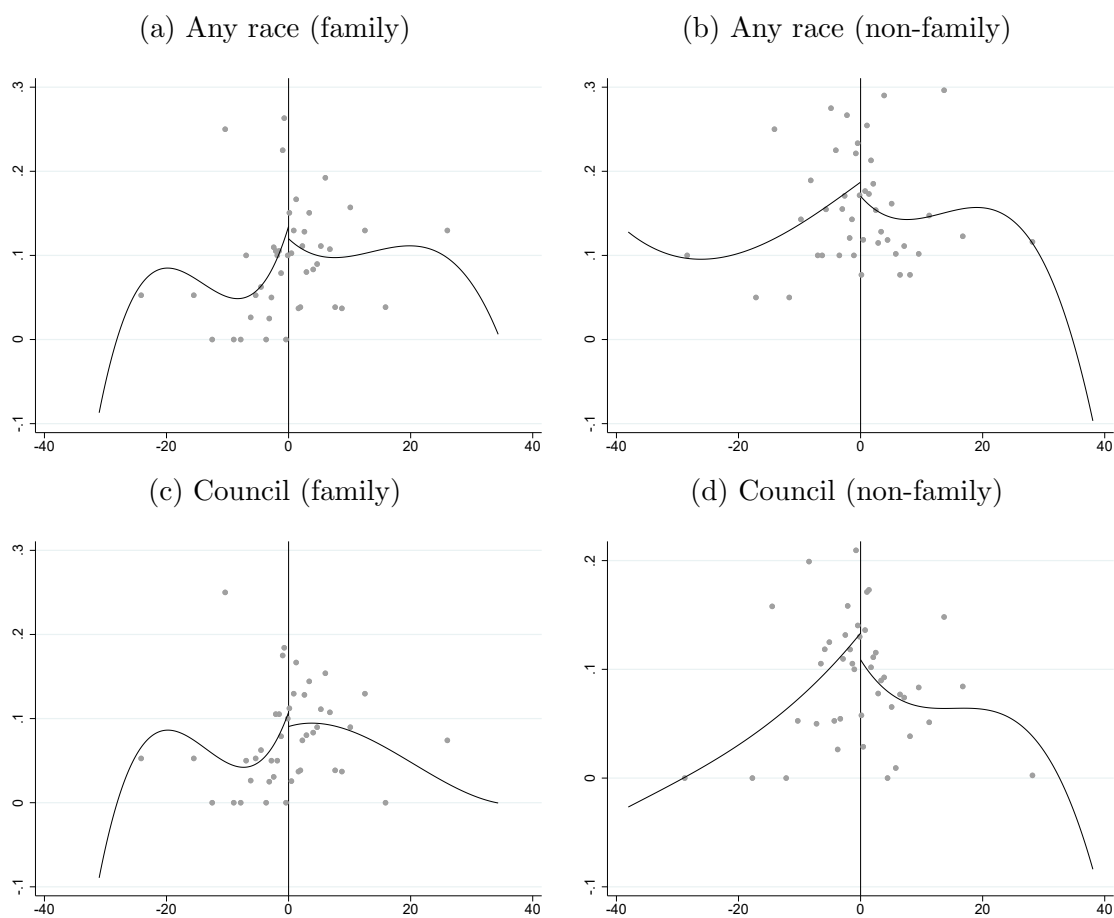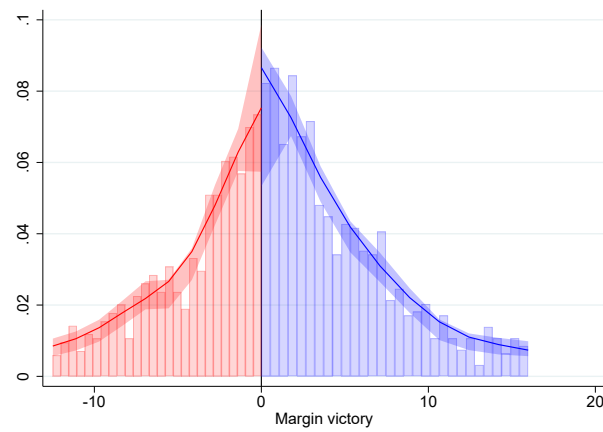(b) Any race (non-family)

(c) Council (family)

(d) Council (non-family)

Figure H3: Sorting tests

The figure shows the density of the running variable. The test of no discontinuity at the cutoff (Matias D. Cattaneo and Ma 2020) gives a statistic of -0.09 and a p-value of 0.9264).

Figure H4: Effect of electoral victory on future donations (local councils)

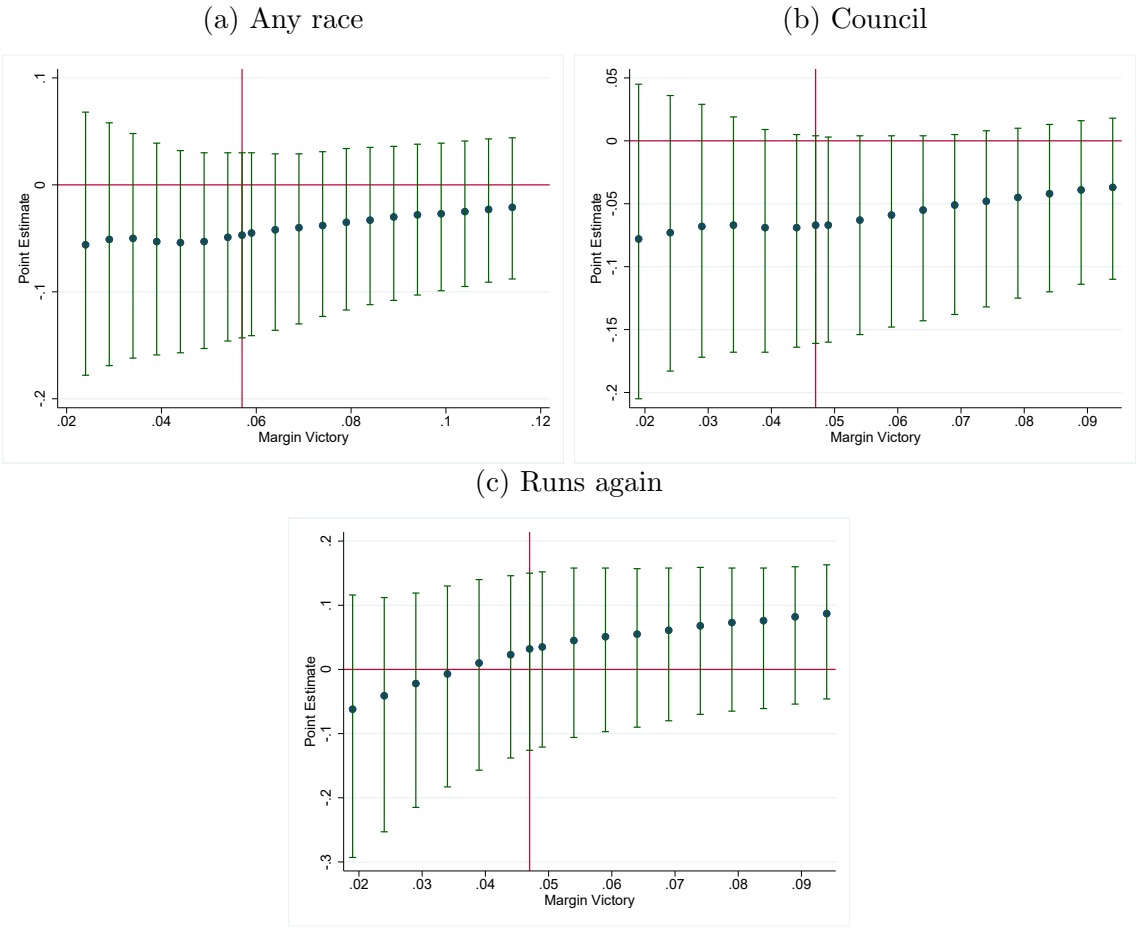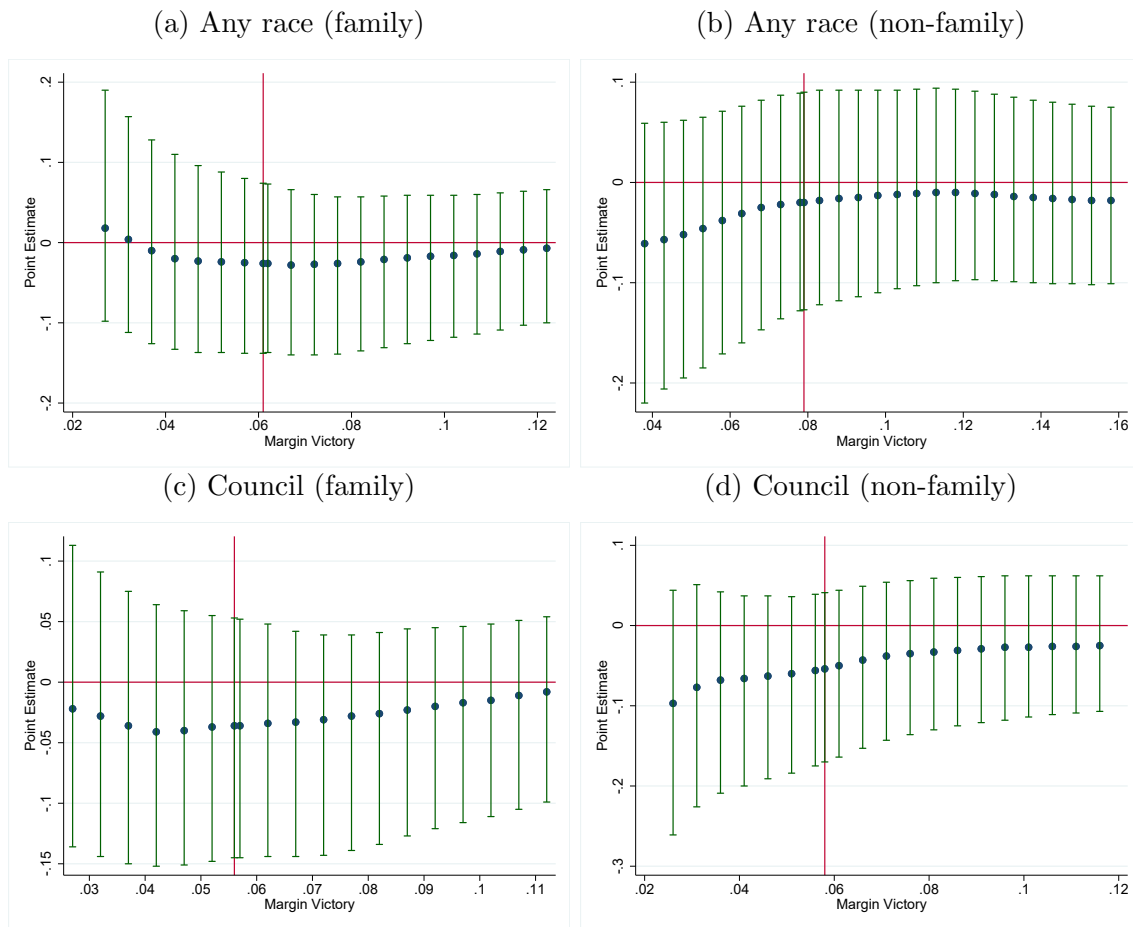(a) Any race

(b) Council

(c) Runs again

Figure H5: Effect of donating to an election winner on future donations (family and non-family)

(a) Any race (family)

(b) Any race (non-family)

(c) Council (family)

(d) Council (non-family)

References

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