Table A1. Imbalance between Treatment and Control Groups*

	Without matching						With matching					
	$\mathscr{L}_1$	Mean	p25	p50	p75	*p*-value (equal means)	$\mathscr{L}_1$	Mean	p25	p50	p75	*p*-value (equal means)
Multivariate imbalance:												
Global $\mathscr{L}_1$ distance	.96						.83					
Univariate imbalance:												
Population	.17	–.06	.15	–.07	–.24	< .10	.07	–.02	–.06	–.02	.00	> .10
Income per capita	.24	–121.30	–100.32	–131.35	–129.31	< .01	.09	–6.72	–.40	–7.55	–18.34	> .10
Urban	.19	–.07	–.06	–.12	–.10	< .01	.04	.00	–.01	.00	.00	> .10
Service coverage	.19	–.05	.00	–.09	–.11	< .01	.04	.00	.01	.01	.00	> .10

* This table provides imbalance statistics between SOEs and other organization forms without and with coarsened exact matching.

Table A2. The Effect of State Elections on State-owned Enterprises*

Hypothesis tested	**H1**	**H2a**	**-**	**H3**	**-**	**H4**
Dependent variable	**Return on sales**	**Log employment**	**Return on sales**	**Log employment**	**Return on sales**	**Log employment**
	(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**
Main independent variables						
State election × SOE	–.037•	.062••	–.446••	.369•	–.072••	.077••
	(.018)	(.010)	(.164)	(.156)	(.021)	(.013)
State election × SOE × Community poverty			-.070•	.052•		
			(.028)	(.025)		
State election × SOE with private investors					.074••	–.041••
					(.013)	(.010)
Controls						
State election	–.008	–.012	–.227	–.118	–.008	–.012
	(.017)	(.009)	(.138)	(.142)	(.017)	(.009)
Municipal election	–.030+	–.007	–.084	.150	–.031+	–.004
	(.018)	(.011)	(.194)	(.168)	(.018)	(.011)
SOE	.274	.163	8.618•	–1.604	.283	.082
	(.245)	(.265)	(3.989)	(2.048)	(.253)	(.249)
Municipal election × SOE	.040•	.017	–.064	.149	.029	.043••
	(.018)	(.012)	(.212)	(.181)	(.021)	(.014)
Municipal population	–.029	.115	–.054	.097	–.031	.116
	(.102)	(.074)	(.106)	(.070)	(.102)	(.073)
Municipal GDP	.059••	.171••	.055••	.172••	.057••	.170••
	(.019)	(.015)	(.019)	(.015)	(.019)	(.015)
Urban	.127	.573••	.111	.585••	.126	.536••
	(.167)	(.140)	(.169)	(.141)	(.168)	(.139)
State unemployment rate	–.001	–.006	–.002	–.006	–.003	–.004
	(.005)	(.004)	(.005)	(.004)	(.005)	(.004)
Federal transfers to the municipality	–.007••	.005	–.006•	.005	–.006••	.005
	(.002)	(.004)	(.002)	(.004)	(.002)	(.004)
Federal funds to water and sanitation	–.000	.001	–.000	.001	–.000	.001
	(.001)	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.002	–.000	.002	–.000	.002	–.000
	(.002)	(.001)	(.002)	(.001)	(.002)	(.001)
Homicides	–.007	.006	–.007	.007	–.007	.005
	(.007)	(.006)	(.007)	(.006)	(.007)	(.006)
Sewerage	–.011	.204••	.000	.190••	–.010	.196••
	(.036)	(.039)	(.034)	(.037)	(.036)	(.039)
Municipal alignment	–.013	–.006	–.013	–.005	–.012	–.006
	(.013)	(.010)	(.013)	(.010)	(.013)	(.010)
State alignment	–.010	.001	–.013	.002	–.010	.002
	(.026)	(.021)	(.026)	(.021)	(.026)	(.021)

Left-wing mayor	.017	.006	.016	.008	.017	.005
	(.015)	(.016)	(.015)	(.016)	(.015)	(.015)
Left-wing governor	–.122••	.079••	–.123••	.081••	–.127••	.082••
	(.025)	(.016)	(.026)	(.016)	(.025)	(.016)
Corrupt mayor	–.037	–.014	–.039+	–.017	–.038	–.016
	(.023)	(.019)	(.023)	(.019)	(.023)	(.019)
Corrupt governor	.062	–.357•	.060	–.358•	.070	–.359•
	(.058)	(.144)	(.060)	(.143)	(.059)	(.145)
Utility FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	15055	15055	14898	14898	15055	15055
R-squared	.624	.946	.627	.947	.625	.946

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.

* Standard errors clustered at the utility level are shown in parentheses. In model 4, the two-way interaction between election year dummies and poor community, the two-way interaction between SOE and poor community, and the three-way interaction between municipal election, SOE, and poor community are also included. In model 5, the two-way interaction between municipal election and SOE with private investors is included. The indicator for SOE with private investors is also included directly. These coefficients are not reported here to conserve space.

Table A3. Employment as a Mediator between State Elections and Financial Performance of State-owned Enterprises*

Hypothesis tested	**H2a**	**H2b**
Dependent variable	**Log employment 1st stage**	**Return on sales 2nd stage**
	(1)	**(2)**
Instrumental variable		
Bartik-like instrument	.131••	
	(.031)	
Mediating variable		
Log employment at organization		–.650•
		(.293)
Main independent variables		
State election × SOE	.054••	–.040•
	(.006)	(.018)
Controls		
State election	–.005	.012
	(.005)	(.008)
Municipal election	.004	–.009
	(.006)	(.010)
SOE	–.292•	–.184
	(.144)	(.151)
Municipal election × SOE	.013+	.030••
	(.007)	(.011)
Municipal population	.155••	.122
	(.040)	(.084)
Municipal GDP	.147••	.178••
	(.013)	(.058)
Urban	.226•	.379••
	(.094)	(.123)
State unemployment rate	–.005+	–.005
	(.003)	(.004)
Federal transfers to the municipality	.003	–.001
	(.003)	(.003)
Federal funds to water and sanitation	.001	.001
	(.001)	(.001)
State funds to water and sanitation	–.001	.000
	(.001)	(.001)
Homicides	.015••	.006
	(.004)	(.007)
Sewerage	.205••	.127•
	(.024)	(.063)
Municipal alignment	–.004	–.013

	(.007)	(.009)
State alignment	–.004	–.013
	(.014)	(.017)
Left-wing mayor	.011	.015
	(.011)	(.013)
Left-wing governor	.069••	–.041+
	(.009)	(.023)
Corrupt mayor	–.014	–.027
	(.012)	(.019)
Corrupt governor	–.495••	–.168
	(.132)	(.157)
Utility FE	Yes	Yes
Observations	41068	41068
R-squared	.940	.574
Cragg–Donald Wald F statistic	49.11	

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A4. The Effect of State Elections on Investment of State-owned Enterprises*

Dependent variable	Log investment
	(1)
Main independent variables	
State election × SOE	.432••
	(.149)
Controls	
State election	–.170
	(.139)
Municipal election	.059
	(.154)
SOE	–.300
	(1.364)
Municipal election × SOE	–.303+
	(.166)
Municipal population	.540
	(.731)
Municipal GDP	.810••
	(.164)
Urban	1.093
	(1.565)
State unemployment rate	–.081•
	(.040)
Federal transfers to the municipality	.136••
	(.043)
Federal funds to water and sanitation	–.007
	(.012)
State funds to water and sanitation	.033•
	(.013)
Homicides	.154•
	(.067)
Sewerage	–.139
	(.307)
Municipal alignment	–.089
	(.122)
State alignment	.256
	(.259)
Left-wing mayor	.114
	(.171)
Left-wing governor	.736••
	(.219)
Corrupt mayor	–.134
	(.238)
Corrupt governor	–.789
	(1.009)
Utility FE	Yes
Observations	14501
R-squared	.621

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A5. The Effect of State Elections on State-owned Enterprises: Models with Year Fixed Effects*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.039•	.061••	–.029	.401•	.082••
	(.018)	(.011)	(.018)	(.160)	(.013)
Log employment at organization			–.168••		
			(.019)		
State election × SOE × Community poverty				.058•	
				(.026)	
State election × SOE with private investors					–.046••
					(.010)
Controls					
SOE	.272	.155	.297	–1.911	.101
	(.244)	(.267)	(.238)	(2.072)	(.253)
Municipal election × SOE	.040•	.012	.042•	.164	.040••
	(.018)	(.013)	(.018)	(.188)	(.015)
Municipal population	–.006	.115	.013	.095	.117
	(.104)	(.076)	(.105)	(.071)	(.076)
Municipal GDP	.053+	.008	.055+	.008	.009
	(.030)	(.023)	(.030)	(.023)	(.023)
Urban	.124	.188	.156	.193	.184
	(.179)	(.153)	(.176)	(.153)	(.152)
State unemployment rate	–.000	.009+	.001	.010•	.010+
	(.006)	(.005)	(.006)	(.005)	(.005)
Federal transfers to the municipality	–.007••	–.000	–.007••	–.001	–.001
	(.002)	(.003)	(.002)	(.003)	(.003)
Federal funds to water and sanitation	–.000	.000	–.000	.000	.000
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.002	–.000	.002	–.000	–.000
	(.002)	(.001)	(.002)	(.001)	(.001)
Homicides	–.008	.001	–.007	.002	.001
	(.007)	(.006)	(.007)	(.006)	(.006)
Sewerage	–.012	.191••	.020	.176••	.186••
	(.036)	(.039)	(.035)	(.036)	(.039)
Municipal alignment	–.014	–.007	–.015	–.006	–.007
	(.013)	(.010)	(.013)	(.010)	(.010)
State alignment	–.011	–.007	–.012	–.007	–.007
	(.026)	(.021)	(.026)	(.021)	(.020)
Left-wing mayor	.018	.011	.020	.014	.011

	(.015)	(.015)	(.015)	(.015)	(.015)
Left-wing governor	–.122••	.072••	–.109••	.074••	.074••
	(.025)	(.016)	(.025)	(.016)	(.016)
Corrupt mayor	–.040+	–.002	–.041+	–.005	–.003
	(.024)	(.019)	(.023)	(.019)	(.019)
Corrupt governor	.065	–.335•	.009	–.335•	–.341•
	(.058)	(.148)	(.065)	(.147)	(.148)
Utility FE	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Observations	15055	15055	15055	14898	15055
R-squared	.625	.947	.632	.948	.947

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.

* Standard errors clustered at the utility level are shown in parentheses. The main effect of state and municipal election does not appear in the table because they are absorbed by the year fixed effects. In model 4, the two-way interaction between election year dummies and poor community, the two-way interaction between SOE and poor community, and the three-way interaction between municipal election, SOE, and poor community are also included. In model 5, the two-way interaction between municipal election and SOE with private investors is included. The indicator for SOE with private investors is also included directly. These coefficients are not reported here to conserve space.

Table A6. The Effect of State Elections on State-owned Enterprises: Models without Matching*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.076••	.051••	–.069••	.227••	.062••
	(.009)	(.006)	(.009)	(.067)	(.007)
Log employment at organization			–.123••		
			(.013)		
State election × SOE × Community poverty				.030••	
				(.011)	
State election × SOE with private investors					–.035••
					(.006)
Controls					
State election	.015+	–.001	.015+	–.047	–.001
	(.008)	(.005)	(.008)	(.057)	(.005)
Municipal election	–.010	.001	–.010	.263••	.003
	(.009)	(.006)	(.009)	(.079)	(.006)
SOE	.007	–.292•	–.029	–5.974••	–.371••
	(.084)	(.143)	(.086)	(1.716)	(.139)
Municipal election × SOE	.022•	.012+	.023•	.010	.035••
	(.010)	(.007)	(.010)	(.088)	(.008)
Municipal population	.022	.167••	.042	.162••	.170••
	(.052)	(.041)	(.052)	(.040)	(.040)
Municipal GDP	.059••	.181••	.082••	.184••	.181••
	(.011)	(.010)	(.011)	(.010)	(.010)
Urban	.214•	.254••	.245••	.249••	.229•
	(.086)	(.094)	(.085)	(.093)	(.093)
State unemployment rate	.002	–.011••	.000	–.011••	–.009••
	(.003)	(.003)	(.003)	(.003)	(.003)
Federal transfers to the municipality	–.004+	.005+	–.003	.005+	.005+
	(.002)	(.003)	(.002)	(.003)	(.003)
Federal funds to water and sanitation	.000	.001	.000	.001+	.001
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.001	–.001	.001	–.001	–.001
	(.001)	(.001)	(.001)	(.001)	(.001)
Homicides	–.005	.016••	–.003	.016••	.015••
	(.004)	(.004)	(.004)	(.004)	(.004)
Sewerage	–.009	.213••	.018	.203••	.205••
	(.020)	(.025)	(.019)	(.024)	(.024)
Municipal alignment	–.010	–.005	–.010	–.004	–.005

	(.008)	(.007)	(.008)	(.007)	(.006)
State alignment	–.009	–.002	–.009	–.002	–.002
	(.016)	(.014)	(.016)	(.014)	(.014)
Left-wing mayor	.008	.009	.010	.010	.008
	(.012)	(.011)	(.012)	(.011)	(.010)
Left-wing governor	–.092••	.074••	–.083••	.075••	.075••
	(.012)	(.009)	(.012)	(.009)	(.009)
Corrupt mayor	–.017	–.014	–.019	–.017	–.015
	(.017)	(.012)	(.017)	(.012)	(.012)
Corrupt governor	.149•	–.484••	.089	–.484••	–.485••
	(.062)	(.130)	(.056)	(.129)	(.130)
Utility FE	Yes	Yes	Yes	Yes	Yes
Observations	41301	41301	41301	41068	41301
R-squared	.643	.939	.647	.940	.940

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.

* Standard errors clustered at the utility level are shown in parentheses. In model 4, the two-way interaction between election year dummies and poor community, the two-way interaction between SOE and poor community, and the three-way interaction between municipal election, SOE, and poor community are also included. In model 5, the two-way interaction between municipal election and SOE with private investors is included. The indicator for SOE with private investors is also included directly. These coefficients are not reported here to conserve space.

Table A7. The Effect of State Elections on State-owned Enterprises: Control Group Includes Only Private Firms*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.045••	.039••	–.041••	.038	.051••
	(.010)	(.013)	(.010)	(.141)	(.014)
Log employment at organization			–.104••		
			(.013)		
State election × SOE × Community poverty				–.000	
				(.023)	
State election × SOE with private investors					–.036••
					(.006)
Controls					
State election	–.016+	.011	–.015	.144	.010
	(.009)	(.013)	(.009)	(.136)	(.013)
Municipal election	.104••	.052••	.109••	.809••	.054••
	(.019)	(.016)	(.019)	(.153)	(.016)
SOE	–.380•	–.335•	–.415•	1.748	–.382•
	(.192)	(.162)	(.180)	(8.978)	(.149)
Municipal election × SOE	–.094••	–.041•	–.099••	–.531••	–.016
	(.019)	(.016)	(.020)	(.158)	(.017)
Municipal population	.029	.190••	.049	.187••	.191••
	(.055)	(.043)	(.056)	(.043)	(.043)
Municipal GDP	.043••	.202••	.064••	.202••	.202••
	(.011)	(.011)	(.011)	(.011)	(.011)
Urban	.298••	.252••	.324••	.257••	.237•
	(.093)	(.096)	(.092)	(.096)	(.096)
State unemployment rate	–.001	–.011••	–.003	–.011••	–.010••
	(.003)	(.003)	(.003)	(.003)	(.003)
Federal transfers to the municipality	–.003	.005+	–.002	.005+	.005+
	(.002)	(.003)	(.002)	(.003)	(.003)
Federal funds to water and sanitation	.000	.001	.000	.001	.001
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.001	–.001	.001	–.001	–.001
	(.001)	(.001)	(.001)	(.001)	(.001)
Homicides	–.005	.015••	–.003	.016••	.015••
	(.005)	(.004)	(.005)	(.004)	(.004)
Sewerage	–.008	.222••	.015	.216••	.216••
	(.019)	(.026)	(.018)	(.026)	(.026)

Municipal alignment	–.014	–.003	–.014+	–.002	–.002
	(.008)	(.007)	(.008)	(.007)	(.007)
State alignment	–.005	–.004	–.005	–.004	–.003
	(.017)	(.016)	(.017)	(.016)	(.015)
Left-wing mayor	.002	.010	.003	.011	.010
	(.013)	(.011)	(.013)	(.011)	(.011)
Left-wing governor	–.108••	.086••	–.099••	.086••	.087••
	(.013)	(.010)	(.013)	(.010)	(.011)
Corrupt mayor	–.010	–.025•	–.012	–.027•	–.026•
	(.018)	(.012)	(.018)	(.013)	(.012)
Corrupt governor	.145•	–.467••	.097+	–.468••	–.467••
	(.062)	(.130)	(.057)	(.130)	(.130)
Utility FE	Yes	Yes	Yes	Yes	Yes
Observations	35166	35166	35166	35060	35166
R-squared	.593	.927	.596	.927	.927

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.

* Standard errors clustered at the utility level are shown in parentheses. In model 4, the two-way interaction between election year dummies and poor community, the two-way interaction between SOE and poor community, and the three-way interaction between municipal election, SOE, and poor community are also included. In model 5, the two-way interaction between municipal election and SOE with private investors is included. The indicator for SOE with private investors is also included directly. These coefficients are not reported here to conserve space.

Table A8. The Effect of State Elections on State-owned Enterprises: Control Group Includes Only Departments*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.072••	.044••	–.066••	.200•	.055••
	(.010)	(.006)	(.010)	(.078)	(.007)
Log employment at organization			–.120••		
			(.014)		
State election × SOE × Community poverty				.026•	
				(.013)	
State election × SOE with private investors					–.034••
					(.006)
Controls					
State election	.012	.005	.012	–.021	.005
	(.009)	(.005)	(.009)	(.070)	(.005)
Municipal election	–.031••	–.014•	–.033••	–.042	–.012•
	(.011)	(.006)	(.010)	(.082)	(.006)
SOE	.040	–.284+	.005	–6.425••	–.360•
	(.089)	(.157)	(.091)	(1.796)	(.152)
Municipal election × SOE	.042••	.026••	.045••	.316••	.050••
	(.011)	(.007)	(.011)	(.091)	(.008)
Municipal population	.017	.167••	.037	.163••	.169••
	(.055)	(.043)	(.056)	(.043)	(.043)
Municipal GDP	.045••	.187••	.067••	.189••	.186••
	(.011)	(.010)	(.011)	(.010)	(.010)
Urban	.247••	.222•	.274••	.221•	.197•
	(.091)	(.100)	(.090)	(.099)	(.099)
State unemployment rate	.000	–.012••	–.001	–.012••	–.010••
	(.003)	(.003)	(.003)	(.003)	(.003)
Federal transfers to the municipality	–.004+	.005+	–.004+	.005+	.005+
	(.002)	(.003)	(.002)	(.003)	(.003)
Federal funds to water and sanitation	.000	.001	.000	.001	.001
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.001	–.001	.000	–.001	–.001
	(.001)	(.001)	(.001)	(.001)	(.001)
Homicides	–.004	.015••	–.003	.015••	.014••
	(.005)	(.004)	(.005)	(.004)	(.004)
Sewerage	–.003	.215••	.023	.205••	.207••
	(.020)	(.025)	(.020)	(.024)	(.025)

Municipal alignment	–.009	–.004	–.009	–.003	–.004
	(.008)	(.007)	(.008)	(.007)	(.007)
State alignment	–.010	–.002	–.010	–.002	–.002
	(.017)	(.015)	(.017)	(.015)	(.014)
Left-wing mayor	.010	.008	.011	.010	.008
	(.013)	(.011)	(.012)	(.011)	(.011)
Left-wing governor	–.089••	.072••	–.080••	.074••	.073••
	(.012)	(.010)	(.012)	(.010)	(.010)
Corrupt mayor	–.015	–.020	–.017	–.023+	–.021
	(.018)	(.013)	(.018)	(.013)	(.013)
Corrupt governor	.141•	–.479••	.083	–.479••	–.480••
	(.063)	(.130)	(.056)	(.130)	(.130)
Utility FE	Yes	Yes	Yes	Yes	Yes
Observations	39799	39799	39799	39566	39799
R-squared	.644	.939	.648	.939	.939

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.

* Standard errors clustered at the utility level are shown in parentheses. In model 4, the two-way interaction between election year dummies and poor community, the two-way interaction between SOE and poor community, and the three-way interaction between municipal election, SOE, and poor community are also included. In model 5, the two-way interaction between municipal election and SOE with private investors is included. The indicator for SOE with private investors is also included directly. These coefficients are not reported here to conserve space.

Table A9. The Effect of State Elections on State-owned Enterprises: Models Include Interactions with Macroeconomic Variables*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.071••	.044••	–.065••	.253••	.059
	(.010)	(.006)	(.010)	(.068)	(.007)
Log employment at organization			–.126••		
			(.013)		
State election × SOE × Community poverty				.036••	
				(.011)	
State election × SOE with private investors					–.039••
					(.006)
Interactions with macroeconomic variables					
Country GDP per capita × SOE	–.089	.636••	–.009	.630••	.584••
	(.112)	(.102)	(.111)	(.103)	(.106)
Country unemployment rate × SOE	.004	.063••	.012	.063••	.056••
	(.017)	(.015)	(.017)	(.015)	(.015)
Country inflation rate × SOE	.001	–.000	.001	.000	–.000
	(.002)	(.001)	(.002)	(.001)	(.001)
Controls					
State election	.013	–.001	.013	–.042	–.001
	(.009)	(.006)	(.009)	(.058)	(.006)
Municipal election	.003	.015•	.005	.265••	.016•
	(.010)	(.007)	(.010)	(.078)	(.007)
Country GDP per capita	.368••	.255••	.400••	.280••	.257••
	(.100)	(.089)	(.100)	(.089)	(.089)
Country unemployment rate	.028+	.021+	.031•	.024+	.021+
	(.014)	(.012)	(.014)	(.012)	(.012)
Country inflation rate	–.002	.001+	–.002	.001+	.001+
	(.001)	(.001)	(.001)	(.001)	(.001)
SOE	.857	–7.011••	–.026	–12.554••	–6.483••
	(1.220)	(1.114)	(1.205)	(2.055)	(1.154)
Municipal election × SOE	.025•	.020•	.027•	.065	.044••
	(.011)	(.008)	(.011)	(.088)	(.009)
Municipal population	.001	.170••	.022	.163••	.171••
	(.052)	(.040)	(.052)	(.040)	(.040)
Municipal GDP	.011	.014	.013	.015	.015
	(.016)	(.015)	(.016)	(.015)	(.015)

Urban	.182•	–.055	.175+	–.063	–.060
	(.091)	(.097)	(.090)	(.096)	(.097)
State unemployment rate	.005	.001	.005	.001	.002
	(.003)	(.003)	(.003)	(.003)	(.003)
Federal transfers to the municipality	–.006••	–.003	–.006••	–.003	–.003
	(.002)	(.002)	(.002)	(.002)	(.002)
Federal funds to water and sanitation	.000	.001	.000	.001	.001
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.001	–.001	.001	–.001	–.001
	(.001)	(.001)	(.001)	(.001)	(.001)
Homicides	–.006	.011••	–.005	.011••	.011••
	(.005)	(.004)	(.004)	(.004)	(.004)
Sewerage	–.009	.193••	.016	.184••	.189••
	(.020)	(.024)	(.019)	(.023)	(.024)
Municipal alignment	–.008	–.004	–.009	–.002	–.003
	(.008)	(.006)	(.008)	(.007)	(.006)
State alignment	–.013	–.003	–.013	–.004	–.003
	(.016)	(.014)	(.016)	(.014)	(.014)
Left-wing mayor	.011	.006	.012	.008	.006
	(.012)	(.011)	(.012)	(.011)	(.011)
Left-wing governor	–.090••	.053••	–.083••	.055••	.054••
	(.012)	(.009)	(.012)	(.009)	(.009)
Corrupt mayor	–.012	.002	–.011	–.001	.001
	(.017)	(.012)	(.017)	(.012)	(.012)
Corrupt governor	.143•	–.435••	.088	–.434••	–.436••
	(.063)	(.131)	(.056)	(.131)	(.131)
Utility FE	Yes	Yes	Yes	Yes	Yes
Observations	41301	41301	41301	41068	41301
R-squared	.644	.940	.648	.941	.941

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A10. The Effect of State Elections on State-owned Enterprises: Models Include State-specific Linear Trends*

Hypothesis tested	H1	H2a	H2b	H3	H4
Dependent variable	Return on sales	Log employment	Return on sales	Log employment	Log employment
	(1)	(2)	(3)	(4)	(5)
Main independent variables					
State election × SOE	–.066••	.045••	–.060••	.215••	.056••
	(.009)	(.006)	(.009)	(.069)	(.007)
Log employment at organization			–.115••		
			(.013)		
State election × SOE × Community poverty				.029•	
				(.011)	
State election × SOE with private investors					–.025••
					(.006)
Controls					
State election	.003	–.003	.002	–.064	–.003
	(.008)	(.005)	(.008)	(.060)	(.005)
Municipal election	–.005	.002	–.004	.261••	.002
	(.009)	(.006)	(.009)	(.080)	(.006)
SOE	–.005	–.321•	–.042	–5.943••	–.303•
	(.084)	(.142)	(.087)	(1.752)	(.142)
Municipal election × SOE	.021•	.011	.023•	–.019	.034••
	(.010)	(.007)	(.010)	(.089)	(.008)
Municipal population	–.032	.175••	–.012	.171••	.175••
	(.041)	(.038)	(.041)	(.038)	(.038)
Municipal GDP	.010	.015	.011	.017	.015
	(.015)	(.014)	(.015)	(.014)	(.014)
Urban	.044	.053	.050	.046	.062
	(.084)	(.088)	(.083)	(.087)	(.089)
State unemployment rate	.010••	–.009••	.009••	–.008••	–.009••
	(.003)	(.002)	(.003)	(.002)	(.003)
Federal transfers to the municipality	–.005•	–.002	–.005•	–.003	–.002
	(.002)	(.002)	(.002)	(.002)	(.002)
Federal funds to water and sanitation	.000	.001	.000	.001	.001
	(.001)	(.001)	(.001)	(.001)	(.001)
State funds to water and sanitation	.001	–.001	.001	–.001	–.001
	(.001)	(.001)	(.001)	(.001)	(.001)
Homicides	.003	–.001	.003	–.001	–.001
	(.004)	(.004)	(.004)	(.004)	(.004)
Sewerage	–.005	.139••	.011	.131••	.139••
	(.017)	(.022)	(.017)	(.021)	(.022)

Municipal alignment	–.022••	–.007	–.023••	–.005	–.006
	(.007)	(.006)	(.007)	(.006)	(.006)
State alignment	.029•	–.014	.028+	–.014	–.014
	(.015)	(.013)	(.015)	(.013)	(.013)
Left-wing mayor	–.023•	.002	–.023•	.003	.002
	(.011)	(.010)	(.011)	(.010)	(.010)
Left-wing governor	–.083••	.049••	–.078••	.049••	.049••
	(.017)	(.012)	(.016)	(.012)	(.012)
Corrupt mayor	.003	.008	.004	.004	.007
	(.015)	(.011)	(.015)	(.011)	(.011)
Corrupt governor	–.096	–.243•	–.124	–.244•	–.241•
	(.089)	(.097)	(.090)	(.097)	(.097)
Utility FE	Yes	Yes	Yes	Yes	Yes
Observations	41301	41301	41301	41068	41301
R-squared	.674	.987	.677	.987	.987

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A11. The Effect of State Elections on State-owned Enterprises: Models Consider Alternative Dependent Variables*

Hypothesis tested	**H1**	**H2a**
Dependent variable	**Labor productivity**	**Employment change**
	(1)	**(2)**
Main independent variables		
State election × SOE	–.061••	.051••
	(.008)	(.011)
Controls		
State election	.038••	.029••
	(.007)	(.008)
Municipal election	–.022•	.043••
	(.009)	(.010)
SOE	.756••	–.033
	(.126)	(.060)
Municipal election × SOE	.004	.004
	(.009)	(.012)
Municipal population	.066	–.121••
	(.051)	(.047)
Municipal GDP	.421••	–.066••
	(.014)	(.009)
Urban	.565••	–.139
	(.104)	(.090)
State unemployment rate	–.013••	–.008••
	(.003)	(.003)
Federal transfers to the municipality	.019••	–.004
	(.004)	(.003)
Federal funds to water and sanitation	–.001	–.000
	(.001)	(.001)
State funds to water and sanitation	.001	–.001
	(.001)	(.001)
Homicides	.010•	–.005
	(.005)	(.005)
Sewerage	–.030	.043••
	(.023)	(.016)
Municipal alignment	–.006	–.004
	(.008)	(.006)
State alignment	.023	.020+
	(.017)	(.012)
Left-wing mayor	–.010	–.028••
	(.013)	(.009)
Left-wing governor	–.062••	–.095••
	(.012)	(.009)
Corrupt mayor	–.047••	.005
	(.015)	(.011)
Corrupt governor	.593••	–.269••
	(.168)	(.043)
Utility FE	Yes	Yes
Observations	39156	37738
R-squared	.843	.071

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A12. The Effect of State Elections on State-owned Enterprises: Only Municipalities That Have Not Changed the Form of Provision*

Hypothesis tested	**H1**	**H2a**
Dependent variable	**Return on sales**	**Log employment**
	(1)	**(2)**
Main independent variables		
State election × SOE	–.077••	.060••
	(.010)	(.006)
Controls		
State election	.008	–.007
	(.009)	(.005)
Municipal election	–.021•	–.013•
	(.010)	(.006)
Municipal election × SOE	.028••	.038••
	(.011)	(.007)
Municipal population	.003	.202••
	(.058)	(.044)
Municipal GDP	.055••	.165••
	(.012)	(.010)
Urban	.266••	.179+
	(.101)	(.103)
State unemployment rate	.001	–.010••
	(.003)	(.003)
Federal transfers to the municipality	–.004+	.003
	(.002)	(.003)
Federal funds to water and sanitation	.001	.001
	(.001)	(.001)
State funds to water and sanitation	.001	–.001
	(.001)	(.001)
Homicides	–.005	.018••
	(.005)	(.004)
Sewerage	.032	.142••
	(.023)	(.029)
Municipal alignment	–.011	–.005
	(.009)	(.007)
State alignment	–.014	–.002
	(.018)	(.015)
Left-wing mayor	.012	.009
	(.013)	(.011)
Left-wing governor	–.097••	.077••
	(.012)	(.009)
Corrupt mayor	–.015	–.021
	(.019)	(.013)
Corrupt governor	.146•	–.489••
	(.063)	(.130)
Utility FE	Yes	Yes
Observations	35824	35824
R-squared	.644	.941

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.

Table A13. The Effect of State Elections on State-owned Enterprises: Variation in the Share of Private Ownership in SOEs*

Hypothesis tested	**H1**	**H2a**
Dependent variable	**Return on sales**	**Log employment**
	(1)	**(2)**
Main independent variables		
State election × Share of private ownership in SOE	.165••	–.093••
	(.016)	(.012)
Controls		
State election	–.089••	.063••
	(.006)	(.005)
Municipal election	.006	.033••
	(.006)	(.005)
Share of private ownership in SOE	.097••	.251••
	(.019)	(.028)
Municipal election × Share of private ownership in SOE	.001	–.140••
	(.014)	(.013)
Municipal population	.024	.195••
	(.060)	(.046)
Municipal GDP	.034••	.198••
	(.011)	(.011)
Urban	.288••	.227•
	(.100)	(.102)
State unemployment rate	–.004	–.011••
	(.003)	(.003)
Federal transfers to the municipality	–.004	.005•
	(.002)	(.003)
Federal funds to water and sanitation	.000	.001
	(.001)	(.001)
State funds to water and sanitation	.001	–.001
	(.001)	(.001)
Homicides	–.005	.014••
	(.005)	(.004)
Sewerage	–.004	.209••
	(.020)	(.027)
Municipal alignment	–.011	–.003
	(.009)	(.007)
State alignment	–.004	–.001
	(.018)	(.016)
Left-wing mayor	.003	.009
	(.013)	(.012)
Left-wing governor	–.112••	.087••
	(.014)	(.011)
Corrupt mayor	–.011	–.029•
	(.019)	(.013)
Corrupt governor	.152•	–.469••
	(.063)	(.130)
Utility FE	Yes	Yes
Observations	33614	33614
R-squared	.591	.924

+ $p < .10$, • $p < .05$; •• $p < .01$; two-tailed tests.
* Standard errors clustered at the utility level are shown in parentheses.