



**Maastricht
University**

Electoral Cycles in Fiscal Policy: Zooming in

Political Budget Cycle Composition and Issue Salience in the European Union

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Academic year 2016-2017

In order to obtain the Double Degree
Master 120 en Sciences  conomiques, Orientation g n rale, Finalit  sp cialis e (UCL/UNamur)
and
Master of Science in Economic Studies (Maastricht University)

10. Appendix

Table A1. COFOG Categories and their Components according to Eurostat.

Category	Components
GF01: General public services	Executive and legislative organs, financial and fiscal affairs, external affairs Foreign economic aid General services Basic research R&D General public services General public services not elsewhere classified Public debt transactions Transfers of a general character between different levels of government
GF02: Defense	Military defense Civil defense Foreign military aid R&D defense Defense n.e.c.
GF03: Public order and safety	Police services Fire-protection services Law courts Prisons R&D public order and safety Public order and safety n.e.c.
GF04: Economic affairs	General economic, commercial and labor affairs Agriculture, forestry, fishing and hunting Fuel and energy Mining, manufacturing and construction Transport Communication Other industries R&D Economic affairs Economic affairs n.e.c.
GF05: Environment protection	Waste management Waste water management Pollution abatement Protection of biodiversity and landscape R&D environmental protection Environmental protection n.e.c.
GF06: Housing and community amenities	Housing development Community development Water supply street lighting R&D Housing and community amenities Housing and community amenities n.e.c.
GF07: Health	Medical products, appliances and equipment Outpatient services Hospital services Public health services R&D Health Health n.e.c.
GF08: Recreation, culture and religion	Recreational and sporting services Cultural services Broadcasting and publishing services

	Religious and community services R&D recreation, culture and religion Recreation, culture and religion n.e.c.
GF09: Education	Pre-primary and primary education Secondary education Post-secondary non-tertiary education Tertiary education Education not definable by level Subsidiary services to education R&D Education Education n.e.c.
GF10: Social protection	Sickness and disability Old age Survivors Family and children Unemployment Housing Social exclusion n.e.c. R&D social protection Social protection n.e.c.

Note. Source: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Classification_of_the_functions_of_government_\(COFOG\)](http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Classification_of_the_functions_of_government_(COFOG)).

Table A2. Potential answers 1 to 21 to the Eurobarometer question and their rank in the Eurobarometer survey results over time using all available survey waves (MM'YY).

Date Issue Rank	05'05	11'06	04'07	11'07	03'08	10'08	06'09	05'10	05'12	11'12	05'13	11'13	03'14	05'14	11'14	02'15	05'15	11'15	05'16	11'16
1.	18	18	18	18	13	13	18	18	18	18	18	18	18	18	18	18	18	11	18	18
Rate	50%	42%	36%	29%	75%	37%	49%	95%	90%	95%	51%	49%	49%	48%	45%	42%	42%	36%	33%	31%
2.	3	3	1	13	18	3	3	3	3	3	3	3	3	3	3	3	11	18	11	11
Rate	27%	24%	23%	27%	51%	37%	42%	80%	70%	73%	33%	33%	29%	29%	24%	22%	23%	36%	28%	26%
3.	1	1	3	1	3	18	13	13	13	13	13	13	13	13	11	11	3	3	3	3
Rate	23%	23%	20%	23%	40%	26%	21%	40%	47%	46%	20%	20%	20%	16%	18%	18%	21%	19%	19%	19%
4.	9	11	13	9	1	1	1	1	8	8	8	8	9	11	9	9	9	9	16	9
Rate	17%	21%	18%	19%	37%	17%	16%	33%	38%	33%	15%	14%	13%	15%	16%	17%	18%	14%	16%	18%
5.	13	13	9	3	9	9	9	9	9	9	1	9	1	9	8	13	13	13	9	13
Rate	16%	17%	16%	17%	35%	16%	14%	30%	23%	24%	12%	12%	13%	14%	14%	16%	14%	14%	16%	15%
6.	11	9	11	11	12	12	11	12	1	1	9	11	8	8	13	8	12	16	12	12
Rate	14%	15%	15%	14%	24%	10%	9%	22%	23%	22%	11%	12%	13%	13%	14%	12%	12%	11%	13%	15%
7.	12	16	16	12	11	11	12	11	12	15	11	1	15	1	12	12	8	12	13	16
Rate	11%	14%	12%	13%	21%	9%	9%	18%	19%	19%	10%	11%	12%	12%	11%	12%	12%	10%	13%	14%
8.	16	12	12	16	15	10	4	15	15	12	15	15	11	12	15	16	4	8	1	1
Rate	10%	10%	12%	11%	20%	8%	7%	18%	18%	16%	9%	11%	11%	11%	10%	11%	11%	10%	10%	11%
9.	4	15	4	15	10	15	15	4	4	11	12	12	12	15	1	4	1	1	8	4
Rate	7%	7%	9%	9%	17%	8%	7%	16%	15%	15%	9%	10%	10%	11%	9%	10%	9%	10%	10%	10%
10.	15	4	15	4	4	4	16	10	11	4	4	4	4	4	4	1	15	10	4	8
Rate	7%	7%	8%	9%	17%	8%	5%	8%	15%	13%	8%	8%	8%	9%	9%	9%	8%	8%	9%	10%
11.	10	10	10	10	16	5	10	6	6	6	10	6	6	10	6	15	16	15	10	10
Rate	5%	5%	8%	8%	14%	5%	5%	7%	9%	9%	5%	5%	6%	5%	7%	9%	7%	8%	8%	8%
12.	6	6	6	6	6	16	5	16	10	10	6	10	10	6	10	10	10	4	15	6
Rate	4%	4%	7%	7%	10%	5%	2%	7%	8%	8%	4%	5%	6%	5%	6%	6%	6%	8%	7%	7%
13.	17	5	5	5	5	6	2	5	16	16	16	16	16	16	16	6	6	6	6	15

Rate	2%	3%	4%	4%	9%	4%	1%	6%	4%	3%	3%	2%	2%	2%	6%	6%	6%	6%	6%	7%
14.	2	2	2	19	2	2	19	2	19	19	19	19	19	19	19	19	19	19	19	19
Rate	2%	2%	2%	2%	3%	1%	0%	3%	2%	2%	1%	1%	1%	2%	3%	3%	2%	3%	3%	1%
15.	19	19	19	2	19	21	21	19	21	21	21	21	21	21	21	21	21	21	21	21
Rate	1%	1%	1%	2%	3%	1%	0%	2%	0%	1%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
16.	21	21	21	21	21	7	14	21	20	20	20	20	20	20	20	20	20	20	20	20
Rate	1%	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
17.	8	20	20	20	14	17	20	20	5	5	2	17	14	14	5	2	5	7	14	17
Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18.	5	7	7	8	8	20	7	8	7	2	5	5	7	2	14	5	17	14	2	2
Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19.	7	8	14	17	7	19	6	14	17	7	7	7	5	5	2	14	14	2	5	14
Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
20.	14	17	8	14	20	8	17	17	2	17	14	2	2	17	7	17	2	5	17	5
Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
21-	20	14	17	7	17	14	8	7	14	14	17	14	17	7	17	7	7	17	7	7
Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Note. The numbers 1 to 21 correspond to the following possible answers from the Eurobarometer questionnaire: 1 = Crime, 2 = Defense - Foreign affairs, 3 = Economic situation, 4 = The education system, 5 = Energy issues, 6 = The environment, climate, 7 = Our country's external influence, 8 = Government debt, 9 = Health and social security, 10 = Housing, 11 = Immigration, 12 = Pensions, 13 = Rising prices / inflation / cost of living, 14 = The state of public finances, 15 = Taxation, 16 = Terrorism, 17 = Public transport, 18 = Unemployment, 19 = Other, 20 = None, 21 = DK. Data retrieved from (European Commission, Public Opinion, 2017).

Table A3. Comparison of panel estimation methods using net lending / net borrowing as dependent variable.

	(1) FE	(2) RE	(3) AB
Elections	-0.311 (0.192)	-0.249 (0.234)	-0.426* (0.171)
L.B9	0.461*** (0.056)	0.675*** (0.049)	0.384*** (0.066)
Ln Real GDP pc	1.136 (0.953)	0.640** (0.247)	1.202 (2.016)
Real GDP growth	0.181*** (0.040)	0.163*** (0.039)	0.189** (0.052)
Population 15-64	0.269* (0.125)	0.100* (0.048)	0.273 (0.210)
Population 65+	0.390 (0.259)	0.154* (0.071)	0.476 (0.343)
Eurozone	0.438 (0.314)	-0.438 (0.255)	1.152* (0.539)
Output gap	-15.250 (7.530)	-15.068* (7.273)	-14.688 (8.240)
Constant	-36.091** (11.357)	-15.634** (5.168)	
<i>N</i>	540	540	511
R2	0.590	0.531	
Year Effects ¹	0.000	0.000	
Heterogeneity ²	0.000		
Serial Correlation ³	0.000		
Hausman ⁴		0.000	
HansenJ ⁵			1.000
AR1 ⁶			0.008
AR2 ⁷			0.098

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

1. P-value of F-test for the joint significance of year dummies

2. P-values of the Breusch-Pagan / Cook-Weisberg test for heteroskedasticity with H0: Constant variance,

3. P-value of the Wooldridge test for autocorrelation in panel data with H0: no first order autocorrelation

4. Hausman test with H0 that the difference in coefficients between FE and RE is not systematic; clearly rejected

5. Hansen J statistic (overidentification test of all instruments)

6. Arellano-Bond test for AR(1) in first differences

7. Arellano-Bond test for AR(2) in first differences

Table A4. GMM Arellano-Bond estimation of the baseline model, using all COFOG categories as dependent variables in turn.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	GF01	GF02	GF03	GF04	GF05	GF06	GF07	GF08	GF09	GF10
Elections	0.194 (0.132)	-0.015 (0.015)	0.030* (0.014)	0.038 (0.117)	0.001 (0.011)	0.034** (0.010)	-0.002 (0.032)	0.017 (0.011)	0.047** (0.015)	0.023 (0.041)
COFOG(-1)	0.449* (0.190)	0.635*** (0.072)	0.672*** (0.049)	0.140** (0.045)	0.456*** (0.090)	0.283 (0.213)	0.686*** (0.058)	0.666*** (0.089)	0.562*** (0.062)	0.777*** (0.035)
Ln Real GDP pc	-0.694 (1.235)	-0.139 (0.185)	-0.084 (0.129)	-1.061 (1.622)	0.067 (0.210)	0.114 (0.351)	0.097 (0.318)	0.280 (0.145)	-0.208 (0.270)	-1.165* (0.449)
Real GDP growth	-0.019 (0.026)	0.003 (0.006)	0.000 (0.007)	-0.078 (0.042)	-0.007 (0.007)	-0.001 (0.008)	-0.025 (0.014)	-0.007* (0.003)	-0.036** (0.010)	-0.160*** (0.014)
Population 15-64	-0.036 (0.082)	0.013 (0.023)	-0.021 (0.017)	-0.049 (0.262)	0.009 (0.022)	-0.016 (0.034)	-0.017 (0.036)	0.001 (0.019)	0.004 (0.023)	0.004 (0.057)
Population 65+	0.113 (0.161)	-0.026 (0.029)	-0.019 (0.025)	-0.123 (0.229)	0.025 (0.025)	-0.002 (0.044)	-0.041 (0.054)	0.007 (0.028)	0.056 (0.046)	0.022 (0.087)
Eurozone	0.024 (0.113)	0.008 (0.058)	-0.007 (0.058)	0.065 (0.358)	0.017 (0.041)	0.130 (0.077)	0.041 (0.072)	0.024 (0.039)	0.044 (0.072)	-0.215 (0.120)
Output gap	-5.975 (3.836)	0.962 (0.637)	0.322 (1.033)	6.154 (10.297)	1.190 (0.973)	0.538 (1.144)	-0.909 (1.601)	0.155 (0.532)	2.041 (1.020)	7.252* (3.103)
<i>N</i>	491	491	491	491	491	491	491	491	491	491
HansenJ ¹	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1 ²	0.017	0.008	0.001	0.018	0.001	0.134	0.002	0.000	0.003	0.001
AR2 ³	0.080	0.278	0.618	0.772	0.204	0.369	0.821	0.097	0.523	0.188

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences

Table A5. Robustness test 1: Looking at Pre-Election Years. GMM Estimates

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	GF01	GF02	GF03	GF04	GF05	GF06	GF07	GF08	GF09	GF10
Pre-Election Year	-0.010 (0.071)	0.015 (0.024)	-0.001 (0.013)	0.156 (0.274)	-0.033* (0.014)	0.008 (0.016)	-0.005 (0.030)	-0.003 (0.012)	0.016 (0.021)	0.030 (0.055)
COFOG(-1)	0.448* (0.195)	0.634*** (0.073)	0.669*** (0.049)	0.142** (0.046)	0.456*** (0.087)	0.282 (0.213)	0.687*** (0.058)	0.664*** (0.090)	0.559*** (0.062)	0.777*** (0.035)
Ln Real GDP pc	-0.670 (1.204)	-0.147 (0.190)	-0.082 (0.127)	-1.080 (1.665)	0.073 (0.207)	0.115 (0.354)	0.099 (0.317)	0.285 (0.148)	-0.205 (0.271)	-1.167* (0.450)
Real GDP growth	-0.017 (0.027)	0.003 (0.006)	0.001 (0.007)	-0.080 (0.044)	-0.007 (0.007)	-0.001 (0.009)	-0.025 (0.014)	-0.007* (0.003)	-0.036** (0.010)	-0.161*** (0.014)
Population 15-64	-0.037 (0.080)	0.014 (0.024)	-0.021 (0.017)	-0.040 (0.270)	0.008 (0.022)	-0.015 (0.034)	-0.018 (0.035)	0.001 (0.019)	0.005 (0.023)	0.004 (0.057)
Population 65+	0.099 (0.151)	-0.024 (0.028)	-0.020 (0.025)	-0.111 (0.232)	0.024 (0.025)	-0.001 (0.045)	-0.040 (0.054)	0.005 (0.028)	0.056 (0.045)	0.020 (0.087)
Eurozone	0.053 (0.115)	0.006 (0.057)	-0.003 (0.059)	0.102 (0.361)	0.013 (0.039)	0.139 (0.077)	0.042 (0.071)	0.027 (0.038)	0.051 (0.075)	-0.206 (0.121)
Output gap	-6.055 (3.878)	0.967 (0.660)	0.326 (1.018)	6.176 (10.163)	1.191 (0.965)	0.535 (1.160)	-0.937 (1.608)	0.152 (0.516)	2.047* (0.978)	7.272* (3.066)
<i>N</i>	491	491	491	491	491	491	491	491	491	491
HansenJ ¹	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1 ²	0.017	0.007	0.001	0.017	0.000	0.137	0.002	0.000	0.003	0.001
AR2 ³	0.086	0.288	0.642	0.785	0.211	0.403	0.807	0.084	0.391	0.184

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences

Table A6. Robustness test 2: Taking the timing of elections into account. GMM Estimates

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	GF01	GF02	GF03	GF04	GF05	GF06	GF07	GF08	GF09	GF10
Election timing	0.361 (0.240)	0.014 (0.030)	0.052* (0.019)	0.219 (0.432)	-0.041 (0.025)	0.028 (0.019)	0.033 (0.041)	0.030* (0.014)	0.066* (0.025)	0.042 (0.071)
COFOG(-1)	0.456* (0.185)	0.635*** (0.073)	0.679*** (0.049)	0.139** (0.045)	0.455*** (0.087)	0.283 (0.212)	0.686*** (0.058)	0.664*** (0.091)	0.566*** (0.063)	0.776*** (0.035)
Ln Real GDP pc	-0.656 (1.197)	-0.143 (0.186)	-0.077 (0.127)	-1.087 (1.668)	0.071 (0.210)	0.122 (0.353)	0.103 (0.317)	0.281 (0.146)	-0.190 (0.273)	-1.159* (0.450)
Real GDP growth	-0.020 (0.025)	0.003 (0.006)	0.000 (0.007)	-0.079 (0.042)	-0.007 (0.007)	-0.001 (0.009)	-0.025 (0.014)	-0.007* (0.003)	-0.037** (0.010)	-0.161*** (0.014)
Population 15-64	-0.034 (0.081)	0.013 (0.024)	-0.019 (0.017)	-0.044 (0.268)	0.009 (0.023)	-0.017 (0.034)	-0.018 (0.035)	0.002 (0.019)	0.006 (0.023)	0.005 (0.057)
Population 65+	0.119 (0.162)	-0.024 (0.028)	-0.017 (0.025)	-0.120 (0.226)	0.023 (0.026)	-0.002 (0.044)	-0.041 (0.054)	0.008 (0.028)	0.058 (0.045)	0.023 (0.087)
Eurozone	0.055 (0.118)	0.005 (0.057)	-0.002 (0.057)	0.064 (0.343)	0.016 (0.039)	0.137 (0.077)	0.043 (0.071)	0.026 (0.037)	0.050 (0.074)	-0.213 (0.119)
Output gap	-6.490 (4.203)	0.960 (0.651)	0.270 (1.033)	5.993 (9.899)	1.244 (0.971)	0.507 (1.136)	-0.945 (1.611)	0.131 (0.525)	1.963 (1.004)	7.202* (3.105)
<i>N</i>	491	491	491	491	491	491	491	491	491	491
HansenJ	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1	0.017	0.008	0.001	0.017	0.001	0.141	0.002	0.000	0.002	0.001
AR2	0.103	0.329	0.590	0.850	0.185	0.384	0.768	0.094	0.324	0.199

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences

Table A7. Robustness test 3: Looking at differences between Eurozone and non-Eurozone countries. GMM Estimates

	(1) GF01	(2) GF02	(3) GF03	(4) GF04	(5) GF05	(6) GF06	(7) GF07	(8) GF08	(9) GF09	(10) GF10
Elections*Eurozone	-0.578** (0.186)	0.007 (0.059)	-0.091* (0.037)	-0.631 (0.324)	-0.039 (0.038)	-0.032 (0.034)	0.145* (0.071)	0.018 (0.032)	0.059 (0.060)	0.228 (0.180)
Elections	0.465* (0.179)	-0.018 (0.040)	0.073** (0.025)	0.338 (0.209)	0.019 (0.018)	0.049* (0.022)	-0.071 (0.053)	0.009 (0.017)	0.020 (0.031)	-0.087 (0.102)
COFOG(-1)	0.452* (0.189)	0.635*** (0.073)	0.677*** (0.050)	0.144** (0.047)	0.459*** (0.088)	0.284 (0.213)	0.686*** (0.059)	0.664*** (0.092)	0.559*** (0.062)	0.770*** (0.035)
Ln Real GDP pc	-0.857 (1.249)	-0.138 (0.182)	-0.090 (0.134)	-1.167 (1.639)	0.053 (0.214)	0.104 (0.349)	0.112 (0.313)	0.286 (0.148)	-0.200 (0.271)	-1.158* (0.450)
Real GDP growth	-0.019 (0.028)	0.003 (0.006)	0.000 (0.007)	-0.078 (0.042)	-0.007 (0.007)	-0.001 (0.009)	-0.025 (0.014)	-0.007* (0.003)	-0.036** (0.010)	-0.160*** (0.015)
Population 15-64	-0.024 (0.080)	0.013 (0.024)	-0.020 (0.016)	-0.058 (0.265)	0.009 (0.022)	-0.016 (0.034)	-0.017 (0.035)	0.001 (0.019)	0.005 (0.023)	0.005 (0.057)
Population 65+	0.145 (0.165)	-0.026 (0.028)	-0.016 (0.025)	-0.128 (0.226)	0.026 (0.026)	-0.002 (0.044)	-0.043 (0.055)	0.007 (0.028)	0.056 (0.046)	0.020 (0.087)
Eurozone	0.161 (0.142)	0.006 (0.053)	0.017 (0.060)	0.203 (0.387)	0.026 (0.045)	0.138 (0.072)	0.002 (0.071)	0.020 (0.038)	0.030 (0.069)	-0.272* (0.130)
Output gap	-5.756 (3.812)	0.960 (0.643)	0.311 (1.019)	6.343 (10.401)	1.221 (0.965)	0.556 (1.140)	-0.906 (1.608)	0.146 (0.534)	2.030 (1.026)	7.074* (3.151)
<i>N</i>	491	491	491	491	491	491	491	491	491	491
HansenJ	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1	0.014	0.008	0.001	0.017	0.001	0.135	0.001	0.000	0.003	0.001
AR2	0.083	0.277	0.567	0.952	0.196	0.317	0.582	0.096	0.511	0.155

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences

Table A8. Robustness test 4: Looking only at Eurozone countries. GMM Estimates

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	GF01	GF02	GF03	GF04	GF05	GF06	GF07	GF08	GF09	GF10
Elections	0.027 (0.050)	-0.022 (0.012)	-0.009 (0.014)	-0.057 (0.136)	-0.020 (0.012)	0.019 (0.011)	0.053 (0.045)	0.006 (0.010)	0.058* (0.024)	0.057 (0.070)
COFOG(-1)	0.768*** (0.073)	0.322** (0.102)	0.628*** (0.049)	0.025 (0.082)	0.390* (0.182)	0.612*** (0.069)	0.811*** (0.068)	0.632*** (0.085)	0.613*** (0.058)	0.722*** (0.052)
Ln Real GDP pc	1.442 (1.183)	0.465 (0.289)	-0.323 (0.341)	-8.559 (4.465)	-0.501 (0.508)	0.247 (0.381)	2.008** (0.597)	0.391 (0.304)	0.945 (0.656)	0.166 (1.085)
Real GDP growth	-0.070*** (0.014)	0.001 (0.008)	-0.010* (0.004)	-0.075 (0.113)	-0.016 (0.012)	-0.002 (0.009)	-0.059** (0.016)	-0.010 (0.006)	-0.037** (0.011)	-0.175*** (0.015)
Population 15-64	-0.149* (0.061)	-0.015 (0.030)	0.008 (0.022)	-0.112 (0.305)	-0.008 (0.036)	0.031 (0.037)	0.062 (0.054)	-0.013 (0.022)	0.002 (0.040)	-0.003 (0.118)
Population 65+	-0.001 (0.090)	-0.019 (0.023)	0.007 (0.019)	-0.408 (0.260)	-0.011 (0.040)	0.028 (0.039)	0.108 (0.072)	0.008 (0.030)	0.007 (0.042)	-0.045 (0.128)
Eurozone	0.001 (0.112)	0.137 (0.066)	-0.002 (0.049)	0.197 (0.354)	0.116 (0.096)	-0.040 (0.049)	-0.068 (0.114)	0.025 (0.046)	0.025 (0.045)	-0.343 (0.186)
Output gap	2.268 (2.751)	1.746 (1.123)	0.733 (0.488)	16.421 (21.044)	4.227* (2.004)	-0.296 (1.517)	-0.907 (1.264)	0.289 (0.490)	-1.365 (0.796)	5.241* (2.490)
<i>N</i>	237	237	237	237	237	237	237	237	237	237
HansenJ ¹	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1 ²	0.019	0.010	0.001	0.057	0.003	0.001	0.019	0.016	0.006	0.046
AR2 ³	0.561	0.961	0.164	0.392	0.801	0.006	0.584	0.155	0.466	0.106

Note. Cluster robust standard errors in parentheses. p-value of tests * p < 0.05, ** p < 0.01, *** p < 0.001.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences

Table A9. Robustness test 5: Looking at the influence of numerical fiscal rules. GMM Estimates

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	GF01	GF02	GF03	GF04	GF05	GF06	GF07	GF08	GF09	GF10
Elections*NFRI	-0.094 (0.086)	0.054 (0.033)	0.023 (0.014)	0.256 (0.202)	-0.005 (0.013)	0.070* (0.029)	0.055 (0.050)	0.039 (0.026)	0.034 (0.042)	0.114 (0.059)
NFRI	-0.335* (0.156)	-0.081 (0.045)	0.016 (0.011)	-0.309 (0.393)	-0.030 (0.019)	-0.102** (0.034)	-0.060 (0.053)	0.012 (0.015)	0.019 (0.042)	-0.021 (0.075)
Elections	0.404 (0.199)	0.612*** (0.066)	0.636*** (0.047)	0.163** (0.059)	0.426*** (0.095)	0.253 (0.207)	0.652*** (0.064)	0.536*** (0.071)	0.533*** (0.062)	0.780*** (0.038)
COFOG(-1)	-0.644 (1.149)	-0.219 (0.227)	-0.205 (0.136)	-1.085 (1.759)	0.108 (0.240)	0.151 (0.375)	-0.109 (0.388)	0.179 (0.147)	-0.377 (0.327)	-1.305* (0.619)
Ln Real GDP pc	-0.014 (0.025)	0.003 (0.007)	0.002 (0.008)	-0.056 (0.039)	-0.006 (0.008)	0.002 (0.006)	-0.014 (0.012)	-0.005 (0.004)	-0.033** (0.011)	-0.159*** (0.015)
Real GDP growth	-0.006 (0.095)	0.027 (0.029)	-0.028 (0.021)	0.019 (0.271)	0.015 (0.025)	-0.015 (0.031)	-0.006 (0.040)	-0.003 (0.018)	0.011 (0.025)	0.013 (0.080)
Population 15-64	-0.009 (0.138)	-0.040 (0.034)	-0.010 (0.030)	-0.113 (0.292)	0.011 (0.025)	-0.019 (0.046)	-0.023 (0.058)	0.013 (0.026)	0.072 (0.053)	0.035 (0.096)
Population 65+	-6.535 (4.152)	1.186 (0.659)	0.747 (1.029)	3.988 (10.601)	1.005 (1.146)	0.944 (1.182)	-0.293 (1.489)	0.405 (0.463)	2.694** (0.883)	7.121* (3.301)
Output gap	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000	463 1.000
<i>N</i>	463	463	463	463	463	463	463	463	463	463
HansenJ ¹	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
AR1 ²	0.013	0.006	0.002	0.028	0.001	0.105	0.001	0.001	0.004	0.002
AR2 ³	0.089	0.355	0.617	0.432	0.166	0.294	0.962	0.192	0.439	0.122

Note. Cluster robust standard errors in parentheses. p-value of tests * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

1. Hansen J statistic (overidentification test of all instruments)

2. Arellano-Bond test for AR(1) in first differences

3. Arellano-Bond test for AR(2) in first differences