Welfare, Egalitarianism, and Polarization:

The Politics of Noncontributory Social Programs

Guide to Replication Files

Eric Paul Svensen

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This archive contains data and code sufficient to reconstruct the tables and figures in "Welfare, Egalitarianism, and Polarization: The Politics of Noncontributory Social Programs."

1 Data File

All relevant data are contained in dataSven1.csv and dataSven2.csv. Table 1 provides a key to the variables contained in dataSven1. Table 2 provides a key to the variables contained in dataSven2.

2 STATA Code

Rather than upload additional files for the STATA commands, I present them in this section. Since the models are almost identical in Tables, 2, 3, and 5 (as well as Figures 2, 3, and 5), I give those who are interested, the basic commands so they can, if they choose, apply them in any application. Before viewing the code, it is important to note two important characteristics in "Welfare, Egalitarianism, and Polarization: The Politics of Noncontributory Social Programs." First, Toda and Yamamoto (1995) find that when using a Wald test to model linear restrictions on the parameters in a vector autoregressive model (VAR), and (some of) the data are non-stationary, then the Wald test statistic does not follow its usual asymptotic chi-square distribution under the null. When applying a standard Granger Causality test in the usual way, the test statistic's asymptotic distribution involves, or may involve, unobservable 'nuisance parameters,' and so it is safe to assume this approach (standard VAR and vector error correction (VECM) models) leads to nonstandard results. It is unwise to apply the test and hope for the best possible outcome on the grounds you have a large sample size. However, with this in

mind, STATA, the software I used to start this project, does not have an official test for this procedure. To account for the concerns Toda and Yamamoto observe, one has to force STATA to perform the test. Moreover, to perform this test, It is critical that one does not first-difference the data in a direct way as is appropriate in common practice when modeling time series procedures, but account for this issue in 'levels.'

As the code shows below, you use a regular vector autoregressive mode (VAR), and account for these levels between the co-integration rank and the number of suggested lags (this is where the VECM part of the test is incorporated). These two figures are added together and create a new lag number in the 'first' part of the model. For the Granger test in Table 2, I use a three lag model with a single co-integration rank. Thus the new lang length is four. Then, in the 'second' level, the model introduces exogenous variable where an additional lag is included. In STATA, all lags must be included before each variable. As stated in the article, all variables are standardized for direct comparison. After running each model, the user should engage the "vargranger" command. The following is the code for each ganger test for Tables 2, 3, and 5.

Table 2:
var zNonContWel zHousePol zSenatePol, lags(1/4) exog(L5.zNonContWel L5.zHousePol L5.zSenatePol)

Table 3:
General Spending:
var zGeneral zHousePol zSenatePol, lags(1/3) exog(L4.zGeneral L4.zHousePol L4.zSenatePol)

Earmark Spending:
var zEarmark zHousePol zSenatePol, lags(1/3) exog(L4.Earmark L4.zHousePol L4.zSenatePol)

Defense Spending:
var zDefense zHousePol zSenatePol, lags(1/5) exog(L6.zDefense L6.zHousePol L6.zSenatePol)

Political Spending:
var zPolitical zHousePol zSenatePol, lags(1/5) exog(L6.zPolitical L6.zHousePol L6.zSenatePol)

Non-Discretionary Social Welfare Spending:
var zNonDiscWel zHousePol zSenatePol, lags(1/4) exog(L5.zNonDiscWel L5.zHousePol L5.zSenatePol)

Table 5:
var zNonContWel zGINI zHousePol zSenatePol, lags(1/6) exog(L7.zNonContWel L7.zGINI L7.zHousePol L7.zSenatePol)

The second point to note is that the reuslts for Figures 2, 3, and 5, are recovered using the JMulTi open source software. The user will need to download this software and follow the required instructions. Of course, the user should follow the variable ordering, co-integrating ranks, and lag lengths used in the STATA tests for Granger Causality. JMulTi is a GUI interface software so no code exists.

3 Additional Queries

Please refer all questions to:

Eric Svensen
Department of Political Science
Sam Houston State University
eps007@shsu.edu

Table 1: Codebook for Tables 2, 3, and 5 data.

Variable	Description
Year	Annual date marker
HousePol	Raw polarization scores for the House of Representatives
SenatePol	Raw polarization scores for the Senate
NonContWel	Noncontributory welfare outlays
NonDiscWel	Non-discretionary social welfare outlays (Social Security, etc.)
Defense	Defense outlays
Political	Outlays classified as political
Earmarks	Outlays classified earmarks
General	Outlays classified general spending
GINI	GINI coefficient
zHousePol	Standardized variable for HousePol
zSenatePol	Standardized variable for SenatePol
zNonContWel	Standardized variable for NonContWel
zNonDiscWel	Standardized variable for NonDiscWel
zDefense	Standardized variable for Defense
zPolitical	Standardized variable for Political
zEarmarks	Standardized variable for Earmarks
zGeneral	Standardized variable for General
zGINI	Standardized variable for GINI

Note: See main text of "Welfare, Egalitarianism, and Polarization: The Politics of Noncontributory Social Programs" for data sources.

Table 2: Codebook for Table 4 data.

Variable	Description
Cong	Congressional term marker
Welfare	Party polarization for noncontributory welfare roll calls
Defense	Party polarization for Defense roll calls
Agri	Party polarization for education roll calls
Trans	Party polarization for transportation roll calls
Ed	Party polarization for education roll calls
Civil R	Party polarization for civil rights roll calls
Defense%	Polarization relationship with noncontributory welfare
Agri%	Polarization relationship with noncontributory welfare
Trans%	Polarization relationship with noncontributory welfare
Ed%	Polarization relationship with noncontributory welfare
Civil R%	Polarization relationship with noncontributory welfare

Note: See main text of "Welfare, Egalitarianism, and Polarization: The Politics of Noncontributory Social Programs" for data sources.