Supplementary information not intended for publication

In this appendix, we present detailed empirical results from various robustness checks. Many of these robustness checks were suggested by the anonymous reviewers, and we are extremely grateful for their constructive comments on the earlier version of this article. The following table of contents provides a link to each of the robustness checks.

Contents

1 Using FDI as a percentage of GDP as the dependent variable 1

2 Electoral FDI cycle in parliamentary democracies 2

3 Electoral FDI cycle in autocracies 3

4 Controlling for party information 3

5 Institutional variations within presidential democracies 4

6 Disaggregating autocratic regimes 10

7 Lagged dependent variable 12

8 Contemporaneous shocks 13

9 Using predicted probability of autocratic leadership failure 15

10 Effect of election cycle conditioned by economic growth 18

11 Marginal effect plot 19

12 Omitted variables and political constraints 21

13 Developing vs. developed countries 23

14 Impact of major Asian economies under autocracy 24

1 Using FDI as a percentage of GDP as the dependent variable

We run the same models using a different FDI measure. We find empirical support for our hypotheses in general. However, in the presidential-democracy only sample, the coefficient estimate of ELECTION PROXIMITY^2 is negative, which is consistent with our expectation, but fails to reach the statistical significance. FDI as a percentage of GDP contains information regarding the size of a country's economy, which can be partially captured by control variables such as ECONOMIC DEVELOPMENT or MARKET SIZE. Excluding either control variable does not change our initial findings meaningfully.[1]

Table 1: Effect of Political Cycle on FDI (% of GDP)

	(1)	(2)	(3)	(4)	(5)	(6)
Sample:	Autocracy	Autocracy	(Semi) Presidential	(Semi) Presidential	Presidential	Presidential
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Tenure	0.993*	0.840*				
	(0.559)	(0.431)				
Tenure^2	-0.340**	-0.291**				
	(0.165)	(0.117)				
Election Proximity			0.294	0.211	0.265*	0.332
			(0.192)	(0.221)	(0.139)	(0.256)
Election Proximity^2			-0.191**	-0.171*	-0.099	-0.136
			(0.092)	(0.098)	(0.067)	(0.114)
Economic Development	2.740	1.731	1.961***	1.461**	1.273**	1.004
	(1.735)	(1.359)	(0.678)	(0.597)	(0.581)	(0.615)
Economic Growth	0.040*	0.049	0.037**	0.054**	0.003	0.014
	(0.023)	(0.034)	(0.016)	(0.022)	(0.013)	(0.011)
Market Size	2.973***	2.507***	1.928***	1.537**	2.593***	2.335***
	(0.811)	(0.854)	(0.563)	(0.627)	(0.547)	(0.520)
Trade Openness	-0.009	0.002	0.034***	0.037**	0.019***	0.021**
	(0.009)	(0.005)	(0.011)	(0.015)	(0.007)	(0.008)
BIT	0.450	0.694***	0.220	0.413	0.438*	0.606**
	(0.328)	(0.183)	(0.296)	(0.447)	(0.264)	(0.226)
Financial Openness	0.200	0.285	0.344***	0.335**	0.315***	0.333***
	(0.238)	(0.178)	(0.092)	(0.142)	(0.082)	(0.056)
Resource Rents	-0.349*	-0.218	-0.482*	-0.410***	-0.598***	-0.698***
	(0.182)	(0.217)	(0.265)	(0.120)	(0.161)	(0.232)
Intrastate War	-1.347*	-1.185**	0.302	0.505**	0.080	0.227
	(0.692)	(0.524)	(0.251)	(0.244)	(0.268)	(0.264)
Domestic Instability	0.025	-0.003	-0.011	-0.036	-0.008	-0.015
	(0.040)	(0.025)	(0.024)	(0.027)	(0.018)	(0.019)
Constant	-55.428***	-34.172***	-41.764***	-26.137***	-42.005***	-28.714***
	(14.883)	(9.540)	(9.371)	(6.191)	(8.346)	(5.380)
Observations	2,050	2,050	1,081	1,081	656	656
Number of Countries	96	96	59	59	30	30

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

[1] In the presidential-democracy only sample, the coefficient estimate of ELECTION PROXIMITY^2 gains statistical significance when we exclude either ECONOMIC DEVELOPMENT or MARKET SIZE.

2 Electoral FDI cycle in parliamentary democracies

Table 2: Effect of Legislative Election Cycle on FDI Inflows in Parliamentary Democracies

	(1)	(2)	(3)	(4)
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.382	0.311		
	(0.410)	(0.400)		
Election Proximity^2	-0.249	-0.206		
	(0.270)	(0.266)		
Election Quantile			0.124	0.130
			(0.736)	(0.626)
Election Quantile^2			-0.006	-0.075
			(0.707)	(0.544)
Economic Development	2.250**	2.318***	2.219**	2.354***
	(0.879)	(0.567)	(0.911)	(0.618)
Economic Growth	0.002	0.005	-0.001	0.001
	(0.024)	(0.024)	(0.026)	(0.027)
Market Size	2.845***	2.785***	2.984***	2.867***
	(0.956)	(0.884)	(0.994)	(0.928)
Trade Openness	0.015*	0.014**	0.015*	0.014**
	(0.008)	(0.006)	(0.008)	(0.006)
BIT	1.207***	1.223***	1.216***	1.229***
	(0.423)	(0.378)	(0.442)	(0.398)
Financial Openness	0.090	0.094	0.083	0.092
	(0.115)	(0.091)	(0.118)	(0.095)
Resource Rents	-0.060	-0.060	-0.058	-0.063
	(0.128)	(0.091)	(0.130)	(0.094)
Intrastate War	0.031	0.083	0.031	0.073
	(0.314)	(0.252)	(0.329)	(0.287)
Domestic Instability	0.026	0.030	0.029	0.035
	(0.031)	(0.023)	(0.032)	(0.021)
Constant	-49.924***	-44.004***		-45.061***
	(10.024)	(8.486)		(9.286)
Observations	786	786	758	758
Number of Countries	32	32	32	32

Note: *Election Proximity* and *Election Quantile* in parliamentary democracies is calculated based on legislative elections rather than executive elections. All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

3 Electoral FDI cycle in autocracies

Table 3: Effect of Executive Election Cycle on FDI Inflows in Autocracies

	(1)	(2)	(3)	(4)
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	-0.245	-0.221		
	(0.151)	(0.161)		
Election Proximity^2	0.106**	0.098**		
	(0.052)	(0.040)		
Election Quantile			0.030	0.232
			(0.581)	(0.560)
Election Quantile^2			-0.085	-0.231
			(0.559)	(0.477)
Economic Development	1.148***	0.933***	1.015**	1.003**
	(0.326)	(0.320)	(0.406)	(0.438)
Economic Growth	0.017***	0.026***	0.019***	0.029***
	(0.005)	(0.005)	(0.006)	(0.007)
Market Size	2.371***	2.165***	2.719***	2.539***
	(0.409)	(0.547)	(0.411)	(0.584)
Trade Openness	-0.000	0.001	0.001	0.004
	(0.003)	(0.002)	(0.004)	(0.003)
BIT	0.866***	1.180***	0.522**	0.786***
	(0.222)	(0.207)	(0.237)	(0.177)
Financial Openness	0.357***	0.364***	0.317***	0.312***
	(0.076)	(0.054)	(0.089)	(0.069)
Resource Rents	0.063	0.135	-0.015	0.026
	(0.105)	(0.091)	(0.115)	(0.102)
Intrastate War	-0.392*	-0.718***	-0.539**	-0.705**
	(0.218)	(0.209)	(0.248)	(0.280)
Domestic Instability	-0.019	-0.037**	-0.021	-0.021
	(0.013)	(0.014)	(0.016)	(0.017)
Constant		-24.341***		-28.069***
		(4.195)		(4.460)
Observations	2,090	2,090	1,556	1,556
Number of Countries	90	90	70	70

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

4 Controlling for party information

The literature suggests that the preferences and ideological orientation of political parties are critical determinants of political business cycle (Hibbs, 1977, 1987; Alesina, 1987; Alesina and Rosenthal, 1995; Alesina, 1997; Franzese, 2002; Bloomberg and Hess, 2003). These partisan cycle theories indicate that a government's economic policy agenda is more likely to change by the shift of incumbent partisanship than that of the incumbent leadership. Particularly regarding FDI and government partisanship, a government with a left-leaning party was found to be more likely to adopt open investment regimes (Pinto, 2013). Thus, we check the robustness of our results controlling for variables that contain partisan information of the incumbent party: (1) INCUMBENT PARTY AGE that records how long the incumbent party has been in office, (2) PARTY CONTROL that indicates whether the incumbent party controls

all relevant houses in a given year, and (3) PARTY ORIENTATION that records whether the incumbent party is right-wing (1), centrist (2), or left-wing (3). The information for these variables is taken from the Database of Political Institutions (DPI) (Beck et al., 2001).[2] We still find that ELECTION PROXIMITY has a significant inverted U-shaped relationship with FDI, which supports Hypothesis 1.

Table 4: Effect of Executive Election Cycle on FDI in Presidential Democracies with Party Information

	(1)	(2)	(3)	(4)
DV:	FDI Inflows	FDI Inflows	FDI (% of GDP)	FDI (% of GDP)
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.323**	0.381***	0.316	0.297*
	(0.144)	(0.115)	(0.201)	(0.171)
Election Proximity^2	-0.176***	-0.193***	-0.151	-0.113*
	(0.064)	(0.060)	(0.119)	(0.060)
Economic Development	2.434***	2.372***	2.023***	1.602*
	(0.495)	(0.369)	(0.712)	(0.812)
Economic Growth	0.004	0.009	0.010	0.017
	(0.017)	(0.008)	(0.017)	(0.013)
Market Size	2.306**	1.932**	2.846***	2.630***
	(1.077)	(0.763)	(0.734)	(0.589)
Trade Openness	0.021***	0.022***	0.023***	0.031***
	(0.006)	(0.005)	(0.009)	(0.011)
BIT	0.734**	0.876***	0.263	0.348
	(0.312)	(0.254)	(0.305)	(0.218)
Financial Openness	0.176	0.172***	0.248***	0.213**
	(0.114)	(0.049)	(0.093)	(0.089)
Resource Rents	-0.364**	-0.503***	-0.518***	-0.753**
	(0.157)	(0.127)	(0.185)	(0.281)
Intrastate War	-0.706*	-0.854*	-0.404	-0.281
	(0.426)	(0.440)	(0.365)	(0.256)
Domestic Instability	-0.016	-0.014	-0.006	-0.035
	(0.022)	(0.019)	(0.024)	(0.025)
Duration of Executive Party in Office	0.001	0.001**	0.002*	0.002**
	(0.001)	(0.000)	(0.001)	(0.001)
Executive Party Control of Houses	-0.014	-0.084	0.272	0.136
	(0.168)	(0.104)	(0.207)	(0.169)
Executive Party Ideology (Right $\sim$ Left)	-0.055	-0.104	-0.067	-0.061
	(0.113)	(0.074)	(0.097)	(0.100)
Constant	-42.109***	-33.036***	-53.273***	-36.386***
	(12.441)	(6.722)	(11.562)	(8.246)
Observations	577	577	577	577
Number of Countries	43	43	43	43

Note: All control variables are lagged by one year except economic growth, duration of executive party in office, executive party control of houses, and executive party ideology. All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

[2]The presidential-democracy sample is also determined by the DPI coding rule.

5 Institutional variations within presidential democracies

Investors may be less concerned about political uncertainty in democracies where institutional checks and balance are well-established. That is, in mature democracies, a leader might be more constrained in his or her ability to reverse the existing course of economic policies in an unexpected or idiosyncratic way. We test this conjecture in multiple ways.

1. We rerun main models controlling for REGIME AGE[3] or MATURE DEMOCRACY. The measure of democratic regime age is taken from Cheibub, Gandhi and Vreeland (2010). Mature democracy is coded as one when a presidential democracy's regime age is greater than five years. We also use two different thresholds (four and six years) to check the robustness of empirical results.

2. We split our presidential democracy sample into mature and nascent democracies using the regime age thresholds, and rerun the models.

3. Finally, we add an interaction term between election proximity and mature democracy to see if the effect of electoral cycle is significantly conditioned by regime maturity, as suggested by R1.

Table 5 reports the results from the models controlling for democracy age. We find that democracy age does not seem to change our main findings substantially: the coefficient estimates of election proximity variables are significant in a hypothesized direction. Table 6 presents the results for the mature-democracy sample. In five out of six models, we find little evidence that FDI inflows are affected by electoral cycle in mature presidential democracies. In Table 7, interestingly enough, we find that the significant effect of electoral cycle holds in nascent democracies. Similarly, the linear combination tests of the interaction terms in Table 8 show that the significant inverted U-shaped relationship between electoral cycle and FDI disappears for mature democracies, while it remains for nascent democracies. Altogether, we find that our theoretical expectation in Hypothesis 1 holds only for immature democracies, which we think is an extremely interesting and novel finding.

[3]Main findings hold using a log-transformation of this variable.

Table 5: Effect of Election Proximity on FDI Inflows in (Semi-)Presidential Democracies (controlling for democracy age)

	(1)	(2)	(3)	(4)
Sample:	(Semi) Presidential	(Semi) Presidential	Presidential	Presidential
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.590**	0.819***	0.531**	0.759***
	(0.242)	(0.238)	(0.237)	(0.227)
Election Proximity^2	-0.360***	-0.490***	-0.320**	-0.456***
	(0.134)	(0.143)	(0.130)	(0.134)
Regime Age	-0.009	0.007		
	(0.017)	(0.032)		
Mature Democracy			0.673***	0.468*
			(0.241)	(0.262)
Economic Development	1.921***	1.453*	1.859***	1.597***
	(0.587)	(0.738)	(0.514)	(0.424)
Economic Growth	0.004	0.021	0.002	0.020
	(0.018)	(0.019)	(0.018)	(0.019)
Market Size	4.429***	3.996***	3.783***	3.841***
	(0.647)	(0.991)	(0.750)	(0.632)
Trade Openness	0.010	-0.001	0.007	-0.002
	(0.009)	(0.013)	(0.009)	(0.012)
BIT	0.592**	0.710**	0.589**	0.761***
	(0.296)	(0.307)	(0.288)	(0.217)
Financial Openness	0.244***	0.285***	0.237**	0.283***
	(0.093)	(0.094)	(0.094)	(0.091)
Resource Rents	-0.303	-0.268**	-0.286	-0.250**
	(0.208)	(0.107)	(0.209)	(0.110)
Intrastate War	-0.048	-0.305	-0.015	-0.234
	(0.284)	(0.315)	(0.285)	(0.294)
Domestic Instability	-0.008	-0.025	-0.004	-0.019
	(0.021)	(0.015)	(0.021)	(0.016)
Constant	-62.734***	-44.442***	-55.852***	-44.446***
	(8.209)	(14.340)	(8.887)	(7.395)
Observations	1,081	1,081	1,081	1,081
Number of Countries	59	59	59	59

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 6: Effect of Political Cycle in ***Mature*** (Semi-)Presidential Democracies (Split Sample)

	(1)	(2)	(3)	(4)	(5)	(6)
Mature Democracy:	Regime Age>5		Regime Age>6		Regime Age>4	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.100	0.206	0.051	0.251	0.364	0.606*
	(0.232)	(0.210)	(0.401)	(0.341)	(0.386)	(0.355)
Election Proximity^2	-0.071	-0.135	-0.047	-0.164	-0.256	-0.415*
	(0.146)	(0.127)	(0.271)	(0.220)	(0.252)	(0.229)
Economic Development	2.111***	1.755***	2.162***	1.815***	1.878***	1.570**
	(0.680)	(0.593)	(0.730)	(0.660)	(0.672)	(0.583)
Economic Growth	0.006	0.015	0.004	0.012	0.003	0.013
	(0.021)	(0.026)	(0.023)	(0.026)	(0.022)	(0.025)
Market Size	3.969***	3.950***	4.188***	4.166***	4.142***	3.966***
	(1.074)	(0.767)	(1.101)	(0.827)	(1.029)	(0.726)
Trade Openness	0.007	-0.004	0.005	-0.007	0.009	-0.002
	(0.010)	(0.014)	(0.011)	(0.014)	(0.010)	(0.013)
BIT	0.476	0.696***	0.469	0.694***	0.590*	0.780***
	(0.348)	(0.211)	(0.363)	(0.218)	(0.344)	(0.217)
Financial Openness	0.263**	0.349***	0.270**	0.360***	0.261**	0.341***
	(0.118)	(0.122)	(0.125)	(0.124)	(0.119)	(0.121)
Resource Rents	-0.449*	-0.386***	-0.453*	-0.377***	-0.417*	-0.350***
	(0.253)	(0.109)	(0.257)	(0.107)	(0.251)	(0.110)
Intrastate War	-0.342	-0.194	-0.336	-0.090	-0.533	-0.503
	(0.277)	(0.224)	(0.265)	(0.254)	(0.355)	(0.342)
Domestic Instability	-0.007	-0.009	-0.006	-0.008	-0.009	-0.014
	(0.022)	(0.023)	(0.023)	(0.024)	(0.023)	(0.022)
Constant	-58.907***	-45.913***	-62.070***	-48.334***	-58.980***	-44.676***
	(11.916)	(9.055)	(12.417)	(10.302)	(11.712)	(8.597)
Observations	853	853	811	811	893	893
Number of Countries	49	49	49	49	54	54

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 7: Effect of Political Cycle in ***Nascent*** (Semi-)Presidential Democracies (Split Sample)

	(1)	(2)	(3)	(4)	(5)	(6)
Mature Democracy:	Regime Age≤5		Regime Age≤6		Regime Age≤4	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.308	0.341	0.458	0.461**	0.511*	0.529
	(0.308)	(0.249)	(0.283)	(0.212)	(0.282)	(0.324)
Election Proximity^2	-0.196**	-0.205***	-0.224**	-0.225***	-0.252***	-0.257***
	(0.097)	(0.068)	(0.091)	(0.072)	(0.095)	(0.088)
Economic Development	1.686	1.718	1.796	1.802	1.422	1.457
	(1.637)	(1.188)	(1.480)	(1.104)	(2.012)	(1.770)
Economic Growth	0.005	0.002	0.009	0.008	0.006	0.005
	(0.029)	(0.016)	(0.027)	(0.016)	(0.031)	(0.029)
Market Size	5.305***	5.207***	5.141***	5.142***	6.239***	6.207***
	(0.996)	(1.294)	(0.884)	(1.075)	(0.951)	(1.348)
Trade Openness	0.024	0.025*	0.018	0.018	0.028	0.027**
	(0.022)	(0.012)	(0.017)	(0.012)	(0.025)	(0.013)
BIT	2.244***	2.204***	2.108***	2.100***	1.675**	1.603***
	(0.609)	(0.547)	(0.532)	(0.490)	(0.687)	(0.453)
Financial Openness	0.070	0.090	0.083	0.084	-0.028	-0.018
	(0.157)	(0.225)	(0.136)	(0.191)	(0.177)	(0.150)
Resource Rents	0.241	0.205	0.192	0.189	0.276	0.240
	(0.402)	(0.278)	(0.309)	(0.201)	(0.308)	(0.266)
Intrastate War	-0.318	-0.231	-0.498	-0.478	0.918*	0.929
	(0.629)	(1.037)	(0.568)	(0.960)	(0.513)	(0.613)
Domestic Instability	0.018	0.022	0.011	0.011	0.028	0.030
	(0.045)	(0.041)	(0.041)	(0.038)	(0.046)	(0.047)
Constant		-61.896***		-61.391***		-69.243***
		(18.391)		(15.805)		(22.354)
Observations	228	228	270	270	188	188
Number of Countries	43	43	49	49	42	42

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 8: Effect of Political Cycle and Age of Democracy in (Semi-)Presidential Democracies (including the interaction between *Election Proximity* and *Mature Democracy*)

	(1)	(2)	(3)	(4)	(5)	(6)
Mature Democracy:	Regime Age>5		Regime Age>6		Regime Age>4	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	1.247***	1.410***	0.959**	1.111***	1.205***	1.675***
	(0.375)	(0.442)	(0.386)	(0.370)	(0.444)	(0.446)
Election Proximity^2	-0.605***	-0.691***	-0.471***	-0.575***	-0.523***	-0.741***
	(0.151)	(0.203)	(0.167)	(0.168)	(0.179)	(0.193)
Mature Democracy	0.886***	0.787*	0.535*	0.588	0.398	0.663*
	(0.310)	(0.389)	(0.285)	(0.395)	(0.338)	(0.369)
Election Proximity ×	-1.487**	-1.447***	-0.846	-0.814**	-0.730	-1.285**
Mature Democracy	(0.585)	(0.383)	(0.547)	(0.391)	(0.620)	(0.489)
Election Proximity^2 ×	0.779**	0.720***	0.398	0.391*	0.192	0.468*
Mature Democracy	(0.330)	(0.185)	(0.310)	(0.209)	(0.325)	(0.248)
Economic Development	1.956***	1.691***	1.853***	1.615***	1.863***	1.640***
	(0.516)	(0.435)	(0.508)	(0.447)	(0.512)	(0.442)
Economic Growth	0.004	0.020	0.002	0.020	0.004	0.020
	(0.017)	(0.018)	(0.018)	(0.018)	(0.017)	(0.018)
Market Size	3.771***	3.818***	3.998***	3.877***	4.215***	3.996***
	(0.732)	(0.633)	(0.742)	(0.633)	(0.741)	(0.596)
Trade Openness	0.007	-0.002	0.008	-0.001	0.008	-0.001
	(0.009)	(0.012)	(0.009)	(0.012)	(0.009)	(0.012)
BIT	0.557*	0.742***	0.583**	0.755***	0.569**	0.749***
	(0.287)	(0.214)	(0.286)	(0.212)	(0.285)	(0.224)
Financial Openness	0.237**	0.286***	0.240**	0.283***	0.247***	0.288***
	(0.093)	(0.090)	(0.093)	(0.091)	(0.093)	(0.091)
Resource Rents	-0.330	-0.302***	-0.311	-0.281***	-0.298	-0.275***
	(0.208)	(0.110)	(0.206)	(0.103)	(0.207)	(0.101)
Intrastate War	-0.089	-0.312	-0.056	-0.265	-0.097	-0.355
	(0.290)	(0.300)	(0.287)	(0.302)	(0.286)	(0.323)
Domestic Instability	-0.003	-0.017	-0.006	-0.018	-0.009	-0.022
	(0.021)	(0.016)	(0.021)	(0.016)	(0.021)	(0.016)
Constant	-56.454***	-45.180***	-58.064***	-44.963***	-60.859***	-46.410***
	(8.616)	(7.283)	(8.816)	(7.280)	(8.696)	(6.934)
Observations	1,081	1,081	1,081	1,081	1,081	1,081
Number of Countries	59	59	59	59	59	59
Linear Combination Tests						
Election Proximity^2	0.174	0.029	-0.073	-0.185	-0.331	-0.273
for Mature Democracy	(0.290)	(0.155)	(0.279)	(0.217)	(0.271)	(0.201)

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

6 Disaggregating autocratic regimes

Personalist or military dictators, who tend to be more myopic and predatory than those in single-party regimes, would not be able to generate much confidence in stable investment climates even when they have stayed in office for a long time. While this point does not necessarily counteract the overall autocratic investment cycle proposed in this article, we can draw testable expectations from this conjecture: (1) FDI inflows should be greater in party regimes than in military/personalist regimes in general, and (2) if any, the inverted U-shaped investment cycle should be less obvious in military/personalist regimes than in party regimes. The latter expectation is also plausible because periodical leadership transition is more often in party-regimes.

To see a more nuanced investment cycle depending on autocratic regime type, we ran our models by splitting the autocracy sample into military/personalist and party regimes.[4] While Table 9 shows that in both autocracy samples the proposed FDI cycle remains statistically significant, coefficient estimates alone do not tell much about how the investment cycle may be different between military/personalist and party regimes. Thus, we ran post-estimation simulations and present two graphs in Figure 1. Interestingly enough, those two theoretical expectations appear to have empirical evidence. First, the amount of FDI inflows is greater in party regimes. Second, the inverted U-shaped FDI cycle is less straightforward in military/personalist regimes. Even though our theoretical prediction holds regardless of autocratic regime type, this nuanced finding indicates that autocratic investment cycle might have significant variations depending on institutional features.

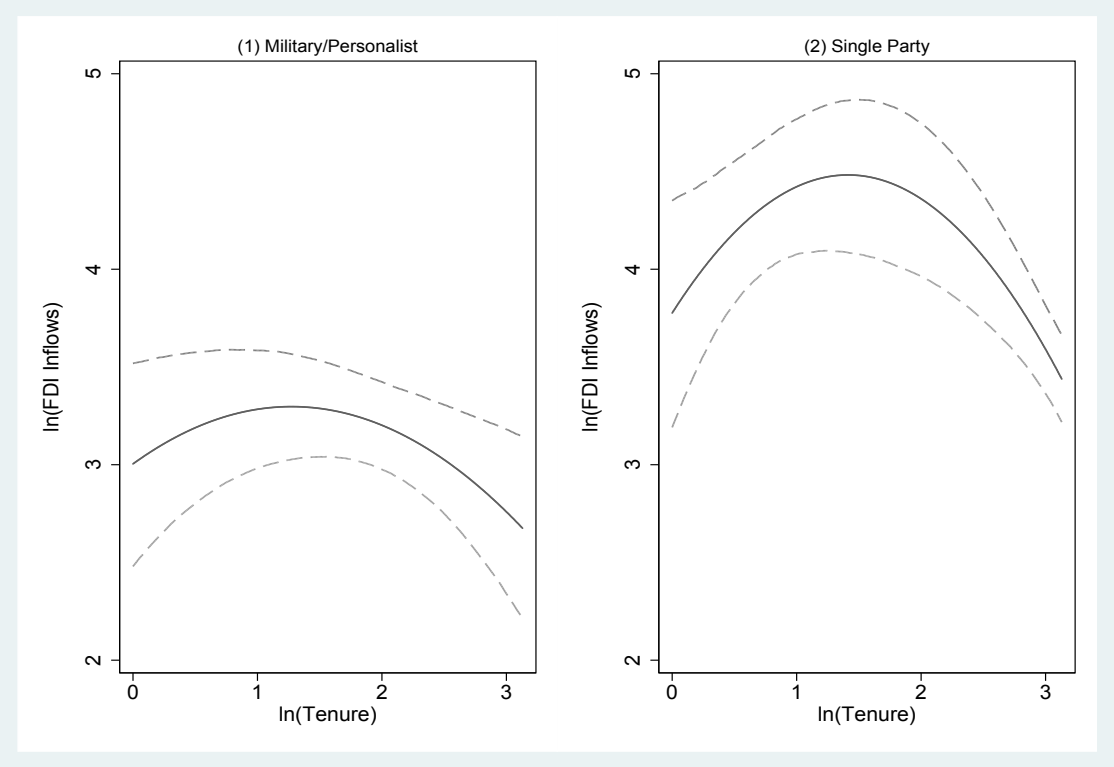
[4]We use the autocratic regime data by Geddes, Wright and Frantz (2014) for regime classification.

Table 9: Effect of Political Cycle on FDI across Different Autocratic Regime Types

	(1)	(2)	(3)	(4)
Sample:	Military/Personalist		Single-Party	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Tenure	0.467**	0.463**	0.780**	1.006**
	(0.228)	(0.190)	(0.316)	(0.397)
$Tenure^2$	-0.188**	-0.181***	-0.281***	-0.355***
	(0.088)	(0.059)	(0.095)	(0.104)
Economic Development	1.425***	1.219**	0.876**	0.636**
	(0.552)	(0.607)	(0.436)	(0.306)
Economic Growth	0.036***	0.046***	0.013	0.028*
	(0.008)	(0.007)	(0.010)	(0.015)
Market Size	3.317***	3.071***	1.476***	1.370***
	(0.616)	(0.700)	(0.522)	(0.376)
Trade Openness	0.002	0.003	0.005	0.006
	(0.004)	(0.004)	(0.003)	(0.004)
BIT	0.331	0.520*	0.985***	1.587***
	(0.354)	(0.299)	(0.249)	(0.211)
Financial Openness	0.219**	0.254***	0.413***	0.356***
	(0.105)	(0.061)	(0.110)	(0.066)
Resource Rents	0.074	0.157	0.277**	0.321***
	(0.148)	(0.151)	(0.121)	(0.090)
Intrastate War	-0.269	-0.330	-0.057	-0.188
	(0.219)	(0.247)	(0.478)	(0.420)
Domestic Instability	0.011	0.008	-0.039*	-0.062*
	(0.020)	(0.017)	(0.021)	(0.032)
Constant		-34.968***		-16.107***
		(6.964)		(3.854)
Observations	913	913	930	930
Number of Countries	61	61	48	48

Note:All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Figure 1: Effect of Political Cycle on FDI across Different Autocratic Regime Types



7 Lagged dependent variable

We performed robustness checks using an OLS with country fixed-effects and a lagged dependent variable on the right hand side of the equation. The results in Table 10 show that the coefficient estimates for TENURE^2, ELECTION PROXIMITY^2 and ELECTION QUANTILE^2 are negative and significant, which is consistent with our hypotheses. Thus we believe that our main findings are not driven by a particular estimator choice.

Table 10: Effect of Political Cycle (using a fixed-effects OLS with a lagged dependent variable)

	(1)	(2)	(3)	(4)	(5)
Sample:	Autocracy	(Semi-)Presidential	Presidential	(Semi-)Presidential	Presidential
FDI Inflows (t-1)	0.398***	0.320***	0.179***	0.272***	0.285***
	(0.021)	(0.030)	(0.040)	(0.032)	(0.041)
Tenure	0.366**				
	(0.170)				
Tenure^2	-0.135***				
	(0.050)				
Election Proximity		0.467**	0.808***		
		(0.189)	(0.242)		
Election Proximity^2		-0.298***	-0.458***		
		(0.077)	(0.098)		
Election Quantile				0.829*	1.196*
				(0.494)	(0.707)
Election Quantile^2				-1.002**	-1.372**
				(0.472)	(0.677)
Economic Development	0.562**	1.168***	1.786***	1.824***	1.602***
	(0.219)	(0.445)	(0.596)	(0.397)	(0.582)
Economic Growth	0.026***	0.013	-0.008	0.006	-0.008
	(0.005)	(0.015)	(0.019)	(0.013)	(0.019)
Market Size	1.187***	2.987***	3.009***	2.692***	2.720***
	(0.220)	(0.507)	(0.625)	(0.459)	(0.623)
Trade Openness	0.001	-0.000	0.008	0.013**	0.007
	(0.002)	(0.006)	(0.008)	(0.006)	(0.008)
BIT	0.734***	0.430*	0.705**	0.657***	0.679**
	(0.162)	(0.230)	(0.288)	(0.204)	(0.283)
Financial Openness	0.210***	0.189**	0.188**	0.136**	0.166*
	(0.061)	(0.074)	(0.088)	(0.066)	(0.087)
Resource Rents	0.149**	-0.204*	-0.391***	-0.213**	-0.327**
	(0.069)	(0.106)	(0.151)	(0.093)	(0.148)
Intrastate War	-0.409**	-0.175	-0.461	-0.276	-0.349
	(0.186)	(0.369)	(0.393)	(0.326)	(0.381)
Domestic Instability	-0.028*	-0.023	0.006	-0.011	0.000
	(0.015)	(0.021)	(0.028)	(0.019)	(0.028)
Constant	-13.879***	-33.984***	-39.397***	-37.525***	-35.728***
	(2.554)	(5.847)	(6.864)	(5.269)	(6.803)
Observations	2,021	1,079	655	1,016	630
Number of Countries	96	59	30	56	29

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

8 Contemporaneous shocks

We checked the robustness of our results including year dummies: (1) using the Driscoll-Krray estimator with country-specific fixed effects and year dummies, and (2) using a fixed-effects OLS with a lagged dependent variable and year dummies.[5] Table 11 reports the results from the Driscoll-Krray models, and Table 12 presents results from OLS with country fixed effects and a lagged dependent variable. We find that our main findings largely hold against

[5]PCSE models fail to converge including year dummies.

contemporaneous shocks.

Table 11: Effect of Political Cycle (using the Driscoll-Krray estimator and including year dummies)

	(1)	(2)	(3)	(4)	(5)
Sample:	Autocracy	(Semi-)Presidential	Presidential	(Semi-)Presidential	Presidential
Tenure	0.616***				
	(0.204)				
Tenure^2	-0.206***				
	(0.059)				
Election Proximity		0.839***	1.030**		
		(0.272)	(0.409)		
Election Proximity^2		-0.485***	-0.573**		
		(0.158)	(0.237)		
Election Quantile				0.875	0.900
				(0.562)	(0.708)
Election Quantile^2				-1.039**	-1.082
				(0.512)	(0.697)
Economic Development	0.963**	-1.255	0.099	-0.044	-0.375
	(0.376)	(0.908)	(0.824)	(0.643)	(0.820)
Economic Growth	0.028***	0.017	-0.011	0.006	-0.017
	(0.006)	(0.018)	(0.017)	(0.016)	(0.018)
Market Size	-0.449	-1.391	-1.008	-0.674	-1.838**
	(0.735)	(1.195)	(1.062)	(0.710)	(0.864)
Trade Openness	0.002	-0.008	0.008	0.011**	0.008
	(0.002)	(0.014)	(0.006)	(0.005)	(0.006)
BIT	1.012***	0.260	0.641**	0.581***	0.704***
	(0.170)	(0.333)	(0.253)	(0.183)	(0.222)
Financial Openness	0.307***	0.213*	0.275***	0.105	0.213**
	(0.074)	(0.107)	(0.084)	(0.081)	(0.087)
Resource Rents	0.254**	-0.283**	-0.592***	-0.303***	-0.589***
	(0.116)	(0.138)	(0.152)	(0.092)	(0.150)
Intrastate War	-0.547***	-0.404	-0.500**	-0.352	-0.387*
	(0.183)	(0.259)	(0.204)	(0.214)	(0.200)
Domestic Instability	-0.039***	-0.019	0.016	-0.018	0.006
	(0.011)	(0.014)	(0.027)	(0.018)	(0.029)
Constant	0.000	0.000	0.000	0.000	25.066*
	(0.000)	(0.000)	(0.000)	(0.000)	(12.751)
Observations	2,050	1,081	656	1,018	631
Number of Countries	96	59	30	56	29

Note: All columns include country-specific fixed effects and year dummies. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 12: Effect of Political Cycle (using the fixed-effects OLS and including year dummies)

	(1)	(2)	(3)	(4)	(5)
Sample:	Autocracy	(Semi-)Presidential	Presidential	(Semi-)Presidential	Presidential
FDI Inflows (t-1)	0.380***	0.288***	0.159***	0.254***	0.259***
	(0.022)	(0.031)	(0.041)	(0.033)	(0.043)
Tenure	0.390**				
	(0.169)				
Tenure^2	-0.133***				
	(0.049)				
Election Proximity		0.531***	0.839***		
		(0.191)	(0.251)		
Election Proximity^2		-0.316***	-0.469***		
		(0.078)	(0.101)		
Election Quantile				0.791	0.820
				(0.503)	(0.735)
Election Quantile^2				-0.949**	-0.994
				(0.479)	(0.703)
Economic Development	0.474**	-0.901	0.060	0.143	-0.202
	(0.219)	(0.593)	(0.773)	(0.557)	(0.761)
Economic Growth	0.023***	0.008	-0.011	0.001	-0.015
	(0.005)	(0.016)	(0.021)	(0.014)	(0.021)
Market Size	-0.143	-0.926	-1.034	-0.285	-1.545
	(0.701)	(0.942)	(1.473)	(0.855)	(1.453)
Trade Openness	0.000	-0.006	0.007	0.008	0.007
	(0.002)	(0.006)	(0.009)	(0.006)	(0.008)
BIT	0.632***	0.131	0.516*	0.364	0.482
	(0.165)	(0.249)	(0.304)	(0.223)	(0.299)
Financial Openness	0.189***	0.152*	0.229**	0.096	0.172*
	(0.062)	(0.080)	(0.095)	(0.072)	(0.095)
Resource Rents	0.181**	-0.232**	-0.508***	-0.238**	-0.445***
	(0.071)	(0.115)	(0.170)	(0.102)	(0.168)
Intrastate War	-0.339*	-0.266	-0.417	-0.279	-0.279
	(0.187)	(0.371)	(0.399)	(0.330)	(0.388)
Domestic Instability	-0.029*	-0.017	0.011	-0.012	0.004
	(0.015)	(0.022)	(0.030)	(0.020)	(0.029)
Constant	0.248	23.264*	16.422	7.055	23.205
	(7.032)	(12.674)	(18.650)	(11.799)	(18.428)
Observations	2,021	1,079	655	1,016	630
Number of Countries	96	59	30	56	29

Note: All columns include country-specific fixed effects and year dummies. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

9 Using predicted probability of autocratic leadership failure

We acknowledge that autocratic leadership tenure does not fully capture a latent concept of leadership vulnerability or risk of leadership failure, while tenure is easily observable. Autocratic time horizon (hereafter ATH), that is how long an autocrat expects to stay in office, might be a better measure of autocratic leadership vulnerability.

First of all, the primary goal of our article is to reveal observable temporal variations in FDI inflows over the course of autocratic leadership cycle. Models using ATH instead

of tenure entail somewhat different theoretical arguments because tenure and ATH are two distinct concepts. For example, past studies have found that domestic political instability, that often results in short time horizons, reduces FDI inflows. For example, a recent study by Moon (2015), reveals that autocrats with long time horizons tend to provide strong commitment institutions that help attract more FDI. While these studies indicate that autocratic time horizon has a positive relationship with FDI inflows, this finding does not show whether FDI inflows have a cyclical pattern over the course of autocratic tenure. In addition, ATH is likely to be endogenous to FDI, whereas it is difficult to find a mechanism through which FDI at time t determines how long a leader has stayed in office up to time t.

Second, measuring the latent concept of ATH is notoriously difficult. A researcher might use individual proxies of ATH such as the number of past leadership turnovers, the number of past coups or regime durability. However, these proxies cannot capture temporal variations in autocratic leadership stability, and regime duration is not conceptually equivalent to leadership stability. An alternative method, used by Wright (2008); Blake (2013); Moon (2015), is to calculate the predicted probability of autocratic leadership failure for a given leader-year. While this method enables a researcher to employ multiple proxies of leadership vulnerability, it suffers from several methodological problems. First, researchers as outside observers may not observe critical information that autocrats use in calculating their time horizons, which makes the ATH measure highly unreliable. Also studies using this estimated ATH measure fail to incorporate uncertainties around the estimates into the regression models. Third, researchers often use *ex post* information to calculate predicted probabilities of leadership failure, which was unavailable to autocrats themselves in office. Given these measurement issues, we are cautious of literally accepting the following empirical results using the estimated ATH measure.

Table 13 reports the results from the ATH equation that generates predicted probabilities of leadership failure. From this probit regression of leadership failure, we obtain the linear expectations of $\widehat{ATH}$.[6] Then, the FDI model in Table 10 estimates the impact of $\widehat{ATH}$ on FDI inflows.

The results in Table 14 show that $\widehat{ATH}$ has negative effect on FDI inflows (significant only in the Driscoll-Kraay model). In relation to our article, this finding indicates that foreign investors tend to hesitate to make investment when autocrats have short time horizons or when autocratic leadership is vulnerable. This is largely consistent with the findings of the literature.

[6]Data sources for variables included in this regression are as follows. Economic development (GDP per capita) and growth are taken from Penn World Tables v.7.0 (Heston, Summers and Aten, 2011), Leader age and tenure variables from the Archigos database (Goemans, Gleditsch and Chiozza, 2009), coup attempts from Powell and Thyne (2011), oil rents from Ross (2012), domestic political instability (a logged domestic conflict index) from the Cross-National Time-Series Data Archive (CNTS) (Banks and Wilson, 2013), foreign aid from Aid Data (Tierney and Hicks, 2011), civil war from the UCDP armed conflict data (Gleditsch et al., 2002), military regime from Cheibub, Gandhi and Vreeland (2010), past colonial experience from Hadenius and Teorell (2005).

Table 13: Probit Model of Autocratic Time Horizon

Economic Development	-0.183
	(0.158)
Economic Growth	-0.019***
	(0.004)
Leader Age	0.028***
	(0.005)
Oil Rents	-0.023
	(0.055)
Foreign Aid	-0.030*
	(0.018)
Colonial Experience	-1.790***
	(0.692)
Past Coup Attempts	0.097
	(0.123)
Civil War	0.210
	(0.156)
Domestic Political Instability	0.027**
	(0.014)
Military Regime	0.193
	(0.129)
Leader Tenure	0.031
	(0.038)
Leader Tenure^2	-0.004
	(0.003)
Leader Tenure^2	0.000**
	(0.000)
Constant	-0.564
	(1.218)
Observations	2,265
Number of Countries	106

Note: All control variables, except economic growth, leader age, military regime, colonial experience and leader tenures, are lagged by one year. All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 14: Effect of Autocratic Time Horizon on FDI

Estimator:	PCSE	Driscoll-Kraay
Autocratic Time Horizon	-0.255	-0.298***
	(0.162)	(0.095)
Economic Development	1.331***	1.213***
	(0.328)	(0.325)
Economic Growth	0.013**	0.022***
	(0.006)	(0.006)
Market Size	2.166***	1.941***
	(0.396)	(0.452)
Trade Openness	0.001	0.002
	(0.003)	(0.002)
BIT	0.888***	1.219***
	(0.217)	(0.206)
Financial Openness	0.310***	0.320***
	(0.079)	(0.072)
Resource Rents	0.095	0.149
	(0.109)	(0.095)
Intrastate War	-0.469**	-0.704***
	(0.219)	(0.179)
Domestic Instability	-0.011	-0.026*
	(0.014)	(0.013)
Constant	-32.514***	-25.197***
	(4.169)	(2.912)
Observations	1,815	1,815
Number of Countries	83	83

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

10 Effect of election cycle conditioned by economic growth

It might be the case that the effect of electoral cycle might become smaller when a country is experiencing significant economic growth, because a leader might have less incentives to reverse any economic conditions that have been proven to be successful. We test this conjecture by including interaction terms between election proximity and economic growth, to see if the effect of political cycle is conditioned by economic growth rate. The results in Table 15 show that our main findings hold regardless of these interaction terms, but we could not find evidence for the conjecture.

Table 15: Effect of Political Cycle Conditioned by Economic Growth

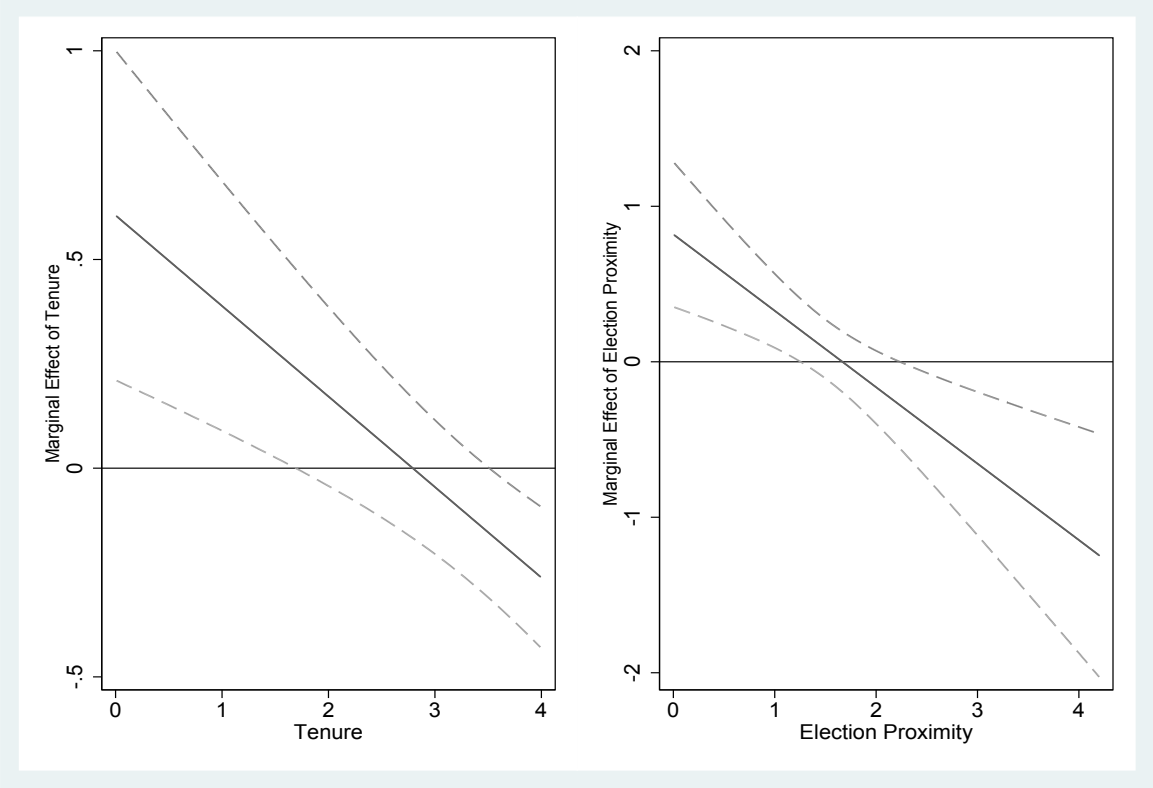
	(1)	(2)	(3)	(4)
	(Semi)	(Semi)		
Sample:	Presidential	Presidential	Presidential	Presidential
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Election Proximity	0.611**	0.777***	0.619*	0.868**
	(0.251)	(0.244)	(0.362)	(0.396)
Election Proximity^2	-0.366***	-0.480***	-0.345*	-0.517**
	(0.134)	(0.138)	(0.204)	(0.220)
Economic Growth	0.015	0.010	-0.003	-0.051
	(0.030)	(0.030)	(0.048)	(0.045)
Election Proximity ×	0.012	0.039	0.026	0.096
Economic Growth	(0.045)	(0.037)	(0.077)	(0.072)
Election Proximity^2 ×	-0.013	-0.017	-0.022	-0.036
Economic Growth	(0.018)	(0.015)	(0.031)	(0.030)
Economic Development	1.748***	1.519***	2.318***	2.040***
	(0.516)	(0.432)	(0.738)	(0.451)
Market Size	4.191***	4.107***	3.521***	3.611***
	(0.735)	(0.524)	(0.933)	(0.679)
Trade Openness	0.010	0.001	0.016*	0.010
	(0.009)	(0.011)	(0.009)	(0.007)
BIT	0.560*	0.728***	0.778**	0.878***
	(0.292)	(0.246)	(0.318)	(0.233)
Financial Openness	0.245***	0.284***	0.216*	0.237***
	(0.095)	(0.092)	(0.114)	(0.061)
Resource Rents	-0.296	-0.259**	-0.367**	-0.458***
	(0.210)	(0.106)	(0.181)	(0.140)
Intrastate War	-0.033	-0.268	-0.328	-0.486
	(0.289)	(0.334)	(0.286)	(0.308)
Domestic Instability	-0.008	-0.027*	0.003	0.010
	(0.021)	(0.015)	(0.028)	(0.024)
Constant	-59.122***	-45.976***	-56.424***	-46.394***
	(9.030)	(6.402)	(9.736)	(5.596)
Observations	1,081	1,081	656	656
Number of Countries	59	59	30	30

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

11 Marginal effect plot

The following marginal-effect plots convey similar information as the graphs in text do, but additionally show how the marginal effect changes over the course of tenure or election cycle along with 95% confidence intervals. I find that the marginal impact of tenure is highly positive early in autocrats' tenure, but becomes negative at the end of tenure, which is consistent with my theoretical expectation. However, the negative effect appears to remain significant only in the far-right range of tenure. Similarly, the right graph shows that the marginal effect of election proximity is changing from positive to negative over the electoral cycle, which also supports my hypothesis. These results are reported in the appendix.

Figure 2: Marginal effect of tenure and election proximity



12 Omitted variables and political constraints

Further we test the robustness of our results including addtional control variables: political constraints on executive power (i.e., veto power) using the Political Constraints Index (Henisz, 2002), property rights protection using the contract-intensive money indicator (Clague and Olson, 1999), exchange rate using the Penn World Table (v. 8.1) data (Heston, Summers and Aten, 2011), and economic crisis (Reinhart and Rogoff, 2011). Economic crisis a dichotomous variable that takes one when a country experiences currency crisis, stock market crash, domestic/external sovereign debt crisis, or banking crisis in a given year using the Reinhart-Rogoff financial crisis database. We also include year dummies to capture common economic shocks from global economic crises, which makes the PCSE models fail to converge.[7] We report the results from the Driscoll-Krray models. Table 16 shows that our main findings hold including these additional control variables.

[7] Our main findings still hold using the PCSE models without year dummies.

Table 16: Effect of Political Cycle on FDI Inflows (controlling for constraints on the executive power, property rights protection, economic crisis, and exchange rate)

	(1)	(2)	(3)
Sample:	Autocracy	(Semi-)Presidential	Presidential
Estimator:	Driscoll-Kraay	Driscoll-Kraay	Driscoll-Kraay
Tenure	0.546***		
	(0.193)		
Tenure^2	-0.183***		
	(0.055)		
Election Proximity		0.841***	1.019***
		(0.229)	(0.339)
Election Proximity^2		-0.474***	-0.576***
		(0.134)	(0.209)
Economic Development	1.082***	2.471***	2.443***
	(0.364)	(0.349)	(0.523)
Economic Growth	0.032***	0.007	-0.012
	(0.006)	(0.016)	(0.018)
Market Size	1.426**	3.484***	3.336***
	(0.562)	(0.547)	(0.691)
Trade Openness	0.003	0.017***	0.008
	(0.002)	(0.005)	(0.007)
BIT	1.042***	0.831***	0.890***
	(0.165)	(0.191)	(0.252)
Financial Openness	0.363***	0.168**	0.198**
	(0.082)	(0.065)	(0.080)
Resource Rents	0.178	-0.250**	-0.470***
	(0.105)	(0.096)	(0.138)
Intrastate War	-0.815***	-0.114	-0.349
	(0.244)	(0.361)	(0.360)
Domestic Instability	-0.036***	-0.008	0.015
	(0.012)	(0.015)	(0.026)
Veto Power (Political Constraints)	2.442***	0.710*	0.357
	(0.395)	(0.399)	(0.804)
Exchange Rate	0.000	0.000	0.000
	(0.000)	(0.000)	(0.000)
Contract Intensive Money (Property Rights)	0.227	0.532	0.949
	(0.832)	(1.162)	(1.481)
Economic Crisis	-0.002	-0.004	-0.036
	(0.231)	(0.181)	(0.246)
Constant	-19.331***	-50.162***	-48.181***
	(3.487)	(4.189)	(4.977)
Observations	1,790	1,002	627
Number of groups	88	58	29

Note: All columns include country-specific fixed effects and year dummies. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

13 Developing vs. developed countries

Table 17: Effect of Political Cycle on FDI in **Developing** Countries

	(1)	(2)	(3)	(4)	(5)	(6)
Sample:	Autocracy		(Semi-)Presidential Democracy		Presidential Democracy	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Tenure	0.531***	0.619***				
	(0.187)	(0.205)				
Tenure^2	-0.197***	-0.221***				
	(0.061)	(0.056)				
Election Proximity			0.686***	0.952***	0.681*	1.039***
			(0.251)	(0.248)	(0.369)	(0.357)
Election Proximity^2			-0.397***	-0.537***	-0.373*	-0.575**
			(0.137)	(0.143)	(0.212)	(0.212)
Economic Development	1.317***	1.140***	2.440***	2.261***	2.319***	2.011***
	(0.321)	(0.299)	(0.529)	(0.352)	(0.754)	(0.483)
Economic Growth	0.023***	0.033***	-0.009	0.001	-0.017	-0.010
	(0.005)	(0.006)	(0.018)	(0.015)	(0.024)	(0.018)
Market Size	2.020***	1.767***	3.779***	3.751***	3.560***	3.620***
	(0.402)	(0.462)	(0.774)	(0.602)	(0.916)	(0.717)
Trade Openness	0.002	0.003	0.022***	0.018***	0.016*	0.011*
	(0.003)	(0.002)	(0.007)	(0.006)	(0.009)	(0.006)
BIT	0.911***	1.241***	0.681**	0.762***	0.802**	0.891***
	(0.230)	(0.189)	(0.324)	(0.266)	(0.340)	(0.277)
Financial Openness	0.309***	0.339***	0.205**	0.198***	0.214*	0.235***
	(0.079)	(0.063)	(0.101)	(0.063)	(0.117)	(0.061)
Resource Rents	0.157	0.212*	-0.341**	-0.445***	-0.418**	-0.509***
	(0.112)	(0.114)	(0.162)	(0.116)	(0.189)	(0.144)
Intrastate War	-0.391*	-0.636***	-0.059	-0.295	-0.361	-0.546*
	(0.223)	(0.199)	(0.283)	(0.309)	(0.278)	(0.286)
Domestic Instability	-0.017	-0.039***	-0.002	-0.008	0.005	0.015
	(0.014)	(0.013)	(0.023)	(0.018)	(0.030)	(0.026)
Constant		-22.926***		-49.059***	-58.974***	-45.822***
		(3.109)		(4.308)	(10.009)	(5.271)
Observations	2,026	2,026	816	816	598	598
Number of Countries	92	92	51	51	27	27

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

Table 18: Effect of Political Cycle on FDI in **Developed** Countries

	(1)	(2)	(3)	(4)	(5)	(6)
Sample:	Autocracy		(Semi-)Presidential Democracy		Presidential Democracy	
Estimator:	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay	PCSE	Driscoll-Kraay
Tenure	-0.440	-0.426				
	(0.317)	(0.360)				
Tenure^2	0.174*	0.171				
	(0.092)	(0.103)				
Election Proximity			-0.005	0.092	0.776	1.518
			(0.569)	(0.435)	(1.092)	(1.555)
Election Proximity^2			-0.074	-0.191	-0.521	-1.013
			(0.339)	(0.269)	(0.771)	(1.019)
Economic Development	1.901***	1.874**	2.611	3.800**	23.663*	23.074**
	(0.640)	(0.666)	(3.291)	(1.461)	(12.474)	(9.373)
Economic Growth	0.033**	0.034	0.119*	0.183**	0.174	0.148
	(0.016)	(0.022)	(0.070)	(0.078)	(0.151)	(0.096)
Market Size	20.591**	21.764	4.142	0.240	-29.645	-26.949
	(9.783)	(24.222)	(6.064)	(3.671)	(27.761)	(18.672)
Trade Openness	-0.031	-0.035	-0.038	-0.077*	-0.062	-0.088
	(0.039)	(0.087)	(0.042)	(0.042)	(0.202)	(0.069)
BIT	-0.635*	-0.671	1.098	1.998***	0.340	-0.009
	(0.381)	(0.782)	(0.702)	(0.639)	(1.011)	(0.660)
Financial Openness	0.550***	0.526***	0.490*	0.709**	-0.044	0.421
	(0.140)	(0.129)	(0.292)	(0.272)	(0.641)	(0.729)
Resource Rents	0.265***	0.247	-0.128	0.270	0.749	0.507
	(0.088)	(0.165)	(0.475)	(0.204)	(0.469)	(0.341)
Intrastate War		0.000		0.000		0.000
		(0.000)		(0.000)		(0.000)
Domestic Instability	0.058	0.065	0.000	0.010	0.038	-0.002
	(0.061)	(0.081)	(0.049)	(0.039)	(0.113)	(0.085)
Constant		-233.747	-68.615	-31.342	129.997	87.246
		(242.228)	(53.297)	(34.028)	(229.558)	(123.210)
Observations	24	24	265	265	58	58
Number of Countries	5	5	11	11	3	3

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

14 Impact of major Asian economies under autocracy

As a robustness check, we reran the autocracy models dropping Taiwan (∼1995), China, South Korea (∼1987), and Singapore. Table 19 shows that the results are little different from those using the full autocracy sample.

Table 19: Effect of Autocratic Tenure on FDI (excluding major Asian economies under autocracy)

Estimator:	PCSE	Driscoll-Kraay
Tenure	0.538***	0.635***
	(0.189)	(0.204)
Tenure^2	-0.200***	-0.228***
	(0.062)	(0.055)
Economic Development	1.288***	1.102***
	(0.352)	(0.334)
Economic Growth	0.022***	0.033***
	(0.005)	(0.006)
Market Size	2.027***	1.781***
	(0.401)	(0.445)
Trade Openness	0.002	0.004
	(0.003)	(0.002)
BIT	0.919***	1.240***
	(0.231)	(0.185)
Financial Openness	0.311***	0.340***
	(0.080)	(0.063)
Resource Rents	0.162	0.217*
	(0.112)	(0.114)
Intrastate War	-0.398*	-0.640***
	(0.223)	(0.195)
Domestic Instability	-0.016	-0.038***
	(0.014)	(0.012)
Constant		-22.819***
		(3.026)
Observations	1,995	1,995
Number of Countries	94	94

Note: All columns include country-specific fixed effects. (not reported). * p<0.10; ** p<0.05; *** p<0.01. (two-tailed tests)

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