Appendix E

Partisan Convergence Models

Table E.1 reports two models related to the results reported in the main text in Figures 5.5 and 5.6. Here we see that the negative coefficient for Democratic control of the Senate is negative and significant. However, that effect is erased during the post-1982 period as shown in Model 2 by the interaction term between the period dummy variable and Democratic Senate control.

Table E.2 presents the underlying models for Figure 5.7. We can see in this table that the effect of Democratic control of the Senate generally is a reduction in deregulation. And while the interaction terms are not statistically significant, we saw in the main text that the effect of Senate control is often reduced to insignificance when we take account of the interactive effects.

Table E.1: Effect of Party Power on Financial Deregulation

	(1)	(2)
Δ Democratic President$_t$	-0.111	-0.120
	(0.071)	(0.081)
Δ Democratic Senate$_t$	-0.215^{**}	-0.311^{***}
	(0.077)	(0.081)
Δ Democratic House$_t$	0.008	
	(0.079)	
Post-1982$_t$		0.108^{*}
		(0.044)
Post-1982$_t$ $\times$ Δ Democratic President$_t$		-0.007
		(0.149)
Post-1982$_t$ $\times$ Δ Democratic Senate$_t$		0.307^{*}
		(0.149)
Constant	-0.008	-0.047
	(0.021)	(0.025)
Observations	101	101
R^2	0.138	0.231

Standard errors in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table E.2: The Conditional Effect of Party Power on Financial Deregulation

	(1)	(2)	(3)	(4)	(5)
Δ Democratic Senate$_t$	-0.444^{**}	-0.279^{*}	-2.656	-0.219	-0.483^{**}
	(0.141)	(0.105)	(2.627)	(0.191)	(0.147)
Top Share$_{t-1}$	0.029				
	(0.016)				
Δ D Senate$_t$ $\times$ Top Share$_{t-1}$	0.087				
	(0.058)				
Total Loans Per Capita$_{t-1}$		0.000			
		(0.000)			
Δ D Senate$_t$ $\times$ Loans$_{t-1}$		0.000			
		(0.000)			
Finance Contributions$_{t-1}$			-0.741		
			(0.385)		
Δ D Senate$_t$ $\times$ Contributions$_{t-1}$			2.833		
			(2.911)		
Union Membership$_{t-1}$				-0.001	
				(0.003)	
Δ D Senate$_t$ $\times$ Membership$_{t-1}$				-0.001	
				(0.008)	
Trade Openness$_{t-1}$					0.009^{**}
					(0.003)
Δ D Senate$_t$ $\times$ Openness$_{t-1}$					0.016
					(0.009)
Constant	-0.080	-0.023	0.673^{*}	0.012	-0.131^{*}
	(0.043)	(0.036)	(0.321)	(0.059)	(0.050)
Observations	101	62	34	101	97
R^2	0.172	0.148	0.159	0.118	0.219

Standard errors in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$