Corporate Donations and Political Rhetoric: Evidence from a National Ban

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Motivation and research question

- **The role of money in politics has been widely investigated:**
  - ▶ Impact of campaign spending and campaign finance regulations on electoral success.
  - ▶ Returns to political donations.

- Do campaign finance reforms influence electoral discourse and political rhetoric?
  - ▷ Before influencing electoral outcomes and the behavior of elected politicians, campaign contributions may affect candidates' communication and the information made available to voters before the election.
  - ▷ Does it depend on where the money comes from?
  - ▷ Does it vary across parties and politicians?

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This paper

- We study the impact of banning donations from firms on the content of campaign communication.

- We construct a novel dataset:
  - » Two-pages manifestos issued by all *individual* candidates to the French Parliament.
  - » Analyzed through text-as-data methods.
  - » Combined with data on candidates' campaign contributions.

- We estimate the impact of a national ban on corporate donations:
  - » Implemented in France in 1995.
  - » Difference-in-differences approach to estimate the causal impact of donations.
  - » Heterogeneity across parties and types of donors.

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  - Difference-in-differences approach to estimate the causal impact of donations.
    - ★ Focus on the parliamentary elections in 1993 and 1997.
  - Heterogeneity across parties and types of donors.

Preview of results

- **Banning corporate donations influences electoral discourse:**
  - ▶ Discourages candidates from advertising their **local presence**.
  - ▶ Discourse **polarization** and shift away from **economic issues**.
  - ▶ Stronger impact for non-mainstream candidates.

- Possible mechanisms:

  - » "Resource effect": decrease in total revenue leads to lower-quality campaigns.

  - » "Composition effect": candidates adapt their discourse to secure contributions from specific sources.

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Contribution to literature

- **Campaign finance and political connections**:
  - ▶ Electoral outcomes (Jacobson 1978, Gerber 1998), legislative behavior (Barber 2016, Avis 2020), public procurement contracts (Baltrunaite 2020, Gulzar et al. 2021)
  - ▶ In the French context, Bekkouche & Cagé (2018) first used the 1995 ban on corporate donations.
  - ⇒ This paper: we estimate the impact of banning donations on political discourse at the campaign stage.

- **Campaign messages**:
  - ▶ Campaign promises matter to voters (Kendall et al. 2015, Cruz et al. 2018).
  - ▶ Candidates adjust their communication strategically (Le Pennec 2020).
  - ⇒ This paper: donations and donors influence the content of campaign communication.

Outline

Outline

Institutional context

- **Campaign finance reforms in France:**
    - ▶ 1988: Introduction of public funding and regulation of private contributions. Candidates may receive contributions from **their party, individuals or legal entities**.
    - ▶ 1990: Control agency (CNCCFP) to verify campaign revenues and expenditures. Candidates may raise funds for a **specific election only**.
    - ▶ **1995: Unanticipated ban on donations from legal entities.**
      More details

- Legislative elections in 1993 and 1997:
    - ▶ In each of the 577 districts, multiple candidates (10 candidates on average) compete for one seat in the Parliament's lower house.
    - ▶ Most candidates run with the endorsement of a party.

- Candidates issue their own campaign manifesto:
    - ▶ Mailed by the state to all registered voters: systematic record of candidates' communication with voters.
    - ▶ Popular medium to learn about candidates (OpinionWay 2017).

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Example of a candidate manifesto

Hypotheses

- In parliamentary elections, candidates run for a national mandate but compete at the local level.
  - ▶ Trade-off between running a local campaign and focusing on national politics.

- The ban on corporate donations is likely to push candidates away from local campaigning:
  - ▶ Fewer resources to run a local campaign.
  - ▶ Lost access to donations from small and local firms.

- Decrease in local prevalence may coincide with:
  - ▶ More partisan discourse.
  - ▶ Shift in policy topics.

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Text as Data

- We collect campaign manifestos issued by more than 10,000 candidates.
  - 1993: Cevipof and Le Pennec (2020)
  - 1997: we collect and digitize paper manifestos from the National Archives.

- We use computational text analysis to construct several measures:

  1. Prevalence of local references (municipalities, department) over national references (government, party leaders, etc)

  2. Partisan leaning from left to right

  3. Originality relative to other candidates from the same party.

  4. Prevalence of different policy topics.

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  2. Partisan leaning from left to right. `More details` `Density`
  3. Originality relative to other candidates from the same party. `More details` `Density`
  4. Prevalence of different policy topics.
     - ★ Economics issues, social issues, homeland security and administration, foreign policy `More details` `Density`

Data on campaign contributions

- Candidates' campaign spending and sources of revenue from Bekkouche and Cagé (2018).
  - ▶ Party contributions, personal contributions, individual and corporate donations. `Summary Statistics`
  - ▶ 33% of the 5,141 candidates received corporate donations in 1993. `By party`

- Detailed information on **corporate donations**.
  - ▶ We digitize paper data from CNCCFP.

  - ▶ We match donors' names with databases from *societe.com* and INSEE + manual cleaning to identify unique donors.

  - ▶ We find 10,470 unique donors.

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    - ★ 14,484 donations of 2,000 euros on average (cap at ∼10,000 euros).
  - ▶ We match donors' names with databases from *societe.com* and INSEE + manual cleaning to identify unique donors.
  - ▶ We find 10,470 unique donors.
    - ★ 84% are *small* donors who make a single donation.
    - ★ 72% of multiple donors give to candidates across different parties: mostly *non-partisan* donors.

    `Table` `Largest donors` `Sectors`

Outline

Revenues before and after the 1995 ban
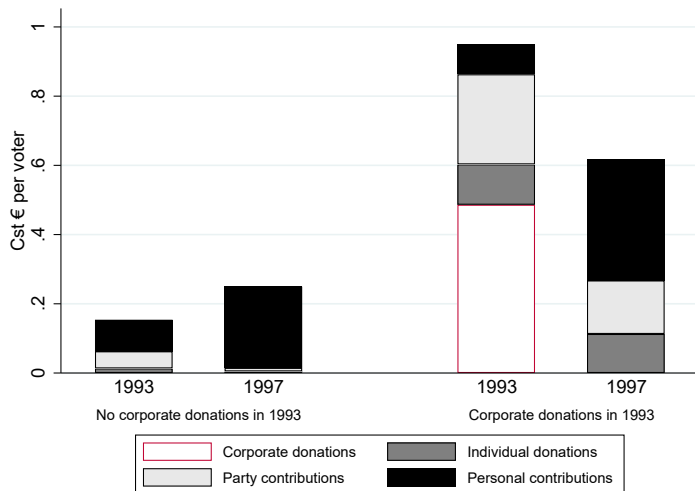
Who receives corporate donations?
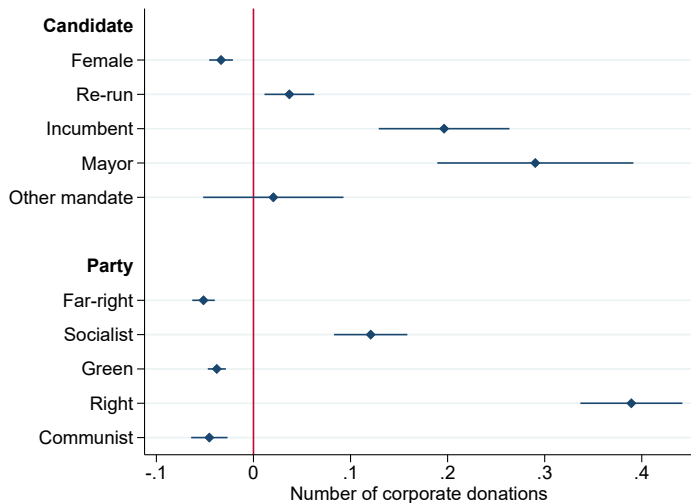
Difference-in-differences: within-candidate specification

- We estimate the average treatment effect of losing corporate donations for candidates who previously relied on them.
- Main specification

$$Y_{it} = \alpha_i + \eta_{pt} + \beta \text{Donations}_{it} + \gamma \widehat{\text{Donations}}_{i93}.\text{Post}_t + W'_{it}\lambda + u_{it}$$

  - α_i is a candidate fixed effect (for candidates running both in 1993 and 1997).
  - η_{pt} is a party×year fixed effect.
  - $Donations_{it}$ is the standardized amount of corporate donations per voter (always 0 in 1997) - **multiplied by -1**.
  - $\widehat{\text{Donations}}_{i93}.Post$ is predicted corporate donations per voter in 1993 interacted with the year fixed effect.
  - W'_{it} is a vector of time-varying candidate controls.
  - St. err. clustered by district.

Outline

Impact on total revenue and other contributions

	Total revenue	Donations from individuals	Party contributions	Personal contributions
	(1)	(2)	(3)	(4)
Corp.Don. (euro/voter)	-0.688***	0.055***	0.165***	0.092***
	(0.027)	(0.018)	(0.023)	(0.021)
Observations	2828	2828	2828	2828
Mean outcome before ban	0.515	0.060	0.145	0.089
R2-Within	0.564	0.041	0.088	0.072

- Negative impact on revenue: no full compensation from other sources.
- Substitution effect larger for party contributions.

Impact on local prevalence

	Local index	Local references	National references
	(1)	(2)	(3)
Corporate donations (loss)	-0.130***	-0.219***	0.098*
	(0.029)	(0.053)	(0.055)
Observations	2602	2602	2602
Mean outcome before ban	-0.652	1.375	3.031
R2-Within	0.037	0.027	0.012

- A one-standard-deviation loss in corporate donations reduces the local index in a candidate manifesto by 13% of a standard deviation.
  - ▶ Decrease in local references.
  - ▶ Increase in national references.

Summary statistics   Sample selection   Substitution effects   By candidate type   Pre-trends   Robustness checks
Matching

Impact on partisan leaning

	Left-right score	Extremeness	Originality index	National party references
	(1)	(2)	(3)	(4)
Corporate donations (loss)	-0.006	0.008*	-0.015	0.026
	(0.005)	(0.005)	(0.014)	(0.029)
Observations	2602	2602	2096	2096
Mean outcome before ban	-0.037	0.861	-1.840	0.911
R2-Within	0.006	0.007	0.003	0.005

- No systematic effect on left-right score but positive effect on discourse extremeness.
  - ▶ Effect driven by non-mainstream parties: Green, Far right, smaller parties. `Table`

- No strong effect on party alignment.
  - ▶ Polarization to appeal to more radicalized voters.

Impact on policy topics

	Economic policy	Social policy	Homeland and administration	Foreign policy
	(1)	(2)	(3)	(4)
Corporate donations (loss)	-1.213**	1.324**	-0.982*	0.274**
	(0.563)	(0.584)	(0.563)	(0.137)
Observations	2602	2602	2602	2602
Mean outcome before ban	23.507	36.203	19.243	4.244
R2-Within	0.013	0.010	0.006	0.009

- Reduced prevalence of economic issues (e.g. construction and amenities, agriculture, etc).
- Increased prevalence of topics less relevant to firms (e.g. foreign and social policy).

Narrow topics   Heterogeneity by party

Outline

Discussion

- **Summary of findings:**
  - ▶ Banning corporate donations discourages candidates from advertising their local presence and talking about economic issues.
  - ▶ These effects are stronger for non-mainstream candidates.
  - ▶ No systematic effect on left-right score but some polarization effect on non-mainstream parties.

- We consider **2 possible mechanisms** to rationalize these results:

  1. Resource effect: losing donations → less revenue → lower-quality campaign.

  2. Composition effect: losing access to one source of contributions → politicians adjust their discourse to secure future contributions from other sources → shift away from corporate donors' priorities.

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Resource effect

- **Losing corporate donations limits the resources needed to run a better campaign.**
  - ▶ Consistent with decrease in local prevalence: less personalized campaign.

- But no significant impact on other measures of manifesto quality. Table

- Heterogeneous effects across donors:
  - ▶ No correlation with other sources of revenue.
  - ▶ Effect stronger for small and single-district donors. Table
    → Receiving corporate donations is not the same a receiving *any* money.

- ✗ **Not consistent with a resource effect channel.**

Composition effect

- **Losing corporate donations pushes politicians to adjust their campaign communication to secure contributions from other sources.**

  - ▶ Consistent with the decrease in local references in response to losing contributions from small and local donors + environment/energy sector. `Table`
  - ▶ Consistent with shift away from economic policies that firms likely care about.
  - ▶ Consistent with stronger effects on non-mainstream candidates with limited party funding → seek donations from more radicalized voters.

- Limitation: no evidence that these effects persist in MPs' discourse once elected. `Legislative activity`

  - ▶ Possibly cheap talk or short-lived effects.

Outline

Conclusion

- **Evidence that banning corporate donations influences campaign communication.**
  - ▶ Discourages local advertising.
  - ▶ Pushes candidates to favor some policy topics over others.
  - ▶ Larger effects on non-mainstream parties.

- The origin of campaign contributions matters.

- Campaign finance regulations may affect political discourse.
  - ▶ Novel channel through which money may affect voters, electoral outcomes and representation.

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- **Campaign finance regulations may affect political discourse.**
  - Novel channel through which money may affect voters, electoral outcomes and representation.

Thank you!

Email: caroline.le-pennec@hec.ca

Campaign finance in France and the 1995 ban

- **Campaign finance:**
  - ▶ 1988 law: direct public funding of parties + public reimbursement
  - ▶ 1990 law: CNCCFP in charge of checking and approving candidates' accounts (accounts submitted within the six months afte the election)
  - ▶ Remaining funds have to be transferred at the end of the campaign ("devolution")

- **The 1995 ban:**
  - ▶ Prohibition of donations from legal entities
  - ▶ Not anticipated: change in the majority (right wing) and aftermath of discussions of possible conflicts of interest
  - ▶ Election of 1997 after the dissolution of the National Assembly decided by President Chirac (less time to adjust to the new regulation)

Back

Manifesto from far-right candidate with corporate donations

Manifesto from far-right candidate without corporate donations

Local index

- Index for the prevalence of local references over national politics.

- Frequency of local references (department and municipalities) in document.

- Frequency of national references (parties, politicians, landmarks).

- Local index: local frequency / national frequency
  - Defined as $ln\left((1 + Local)/(1 + National)\right)$

Back

Local index by party in 1993
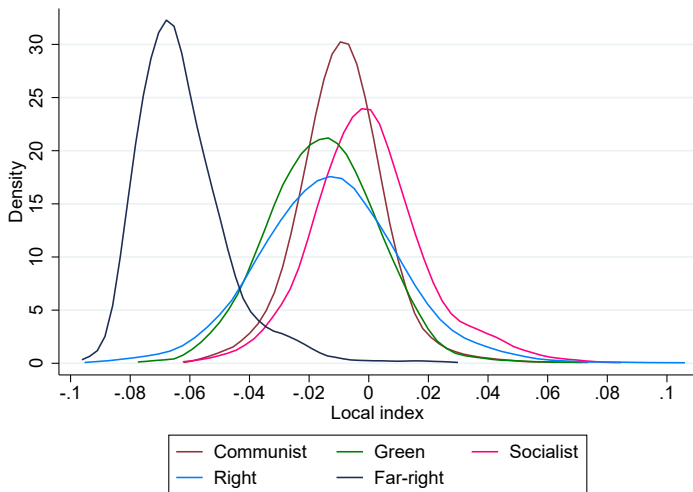
Partisan score on left-right scale

- Supervised scaling approach based on known political orientations.

- Multinomial inverse regression (Taddy 2013, 2017; Gentzkow et al. 2019).
  - ▶ Text pre-processing: remove stop words, lemmatization, vocabulary restricted to words used by at least 0.5% and at most 50% of documents: $\sim$ 4,000 words.
  - ▶ Multinomial regression of word choice on a dummy for being affiliated with a right-wing party vs. a left-wing party to obtain a *loading* for each owrd.
  - ▶ Estimation with gamma-lasso penalization to penalize large and noisy word loadings.
  - ▶ Average word loadings per document to obtain a manifesto-level left-right score.

Back

MNIR framework

- $c_{wj} \sim MN(q_{wj}, m_j)$ is the frequency of word w in document j
- We estimate the following model:

$$q_{wj} = \frac{exp(\alpha_w + \phi_w D_j)}{\sum_{k=1}^{W} exp(\alpha_k + \phi_k D_j)}$$

- D_j is an indicator variable equal to one if j is issued by a right-wing candidate as opposed to a left-wing one.
- ϕ_w is a word *loading* that measures sensitivity to party affiliation.
- Gamma-lasso penalization to shrinks large and noisy loadings.
- Sufficient-reduction projection:

$$Z_j = \sum_{w=1}^{W} \phi_w \cdot \frac{c_{wj}}{m_j}$$

Back

Left-right words

Left	Right
dividend	terrorist
antidemocratic	murderer
poverty	criminal
disarmament	foreigner
benefits	europe
thatcher	taxation
emancipation	persecution
victory	independence
law	identity
xenophobia	utopia

Back

Left-right score
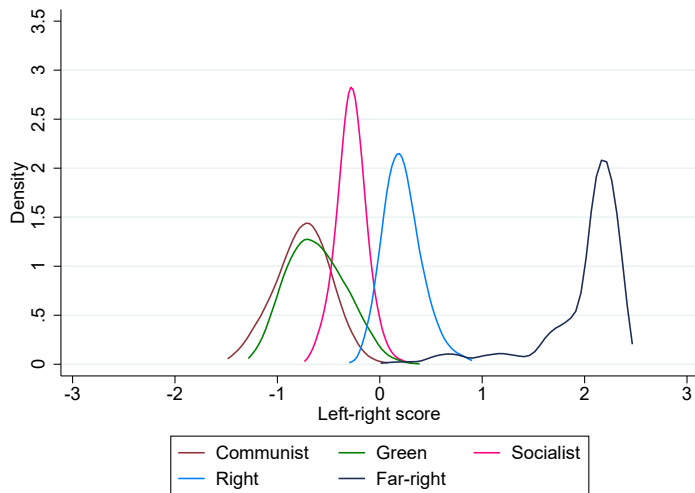
Prevalence of policy topics

- Supervised classification exercise.
  - We use written questions to the government as training set.

- **Policy topic keywords**
  - Homeland & administration: "vote by proxy", "police", "passport", ...
  - Foreign policy: "amnesty", "united nations", "diplomacy", ...
  - Economic issues: "bank", "taxation", "retail", ...
  - Social issues: "paramedical", "healthcare", "school board", ...

	Mean	sd
Homeland and administration	17.60	16.15
Foreign policy	3.97	5.53
Economic issues	27.54	24.71
Social issues	35.52	20.22

More details Narrow topics Back

Prevalence of policy topics

- 4 policy topics based on Ministry titles: homeland and administration, foreign policy, economic issues, social issues.
- Using *written questions to government* to identify which words are most associated with each topic (MNIR framework).
  - ▶ Written questions issued by elected MPs to raise their constituents' concerns to the executive branch.
  - ▶ Addressed to a specific Ministry.
  - ▶ We scrape about 180,000 questions issued between 1988 and 2002 from the Parliament's website.
- Project each document onto latent topic dimensions, based on the words it contains.
- Estimate the probability of using a given topic over the others.

Back

Prevalence of narrow policy topics

	Mean	sd
Topic		
Agriculture	1.28	4.06
Construction and amenities	2.90	4.94
Culture	1.45	2.38
Military and defense	3.57	4.32
Economy	5.80	8.22
Education	3.83	5.90
Employment	15.75	15.87
Environment	3.24	10.50
European policy	0.27	1.36
Foreign policy	8.03	8.67
Health	4.14	5.72
Industry	2.23	3.00
Homeland security	30.53	24.34
Justice	0.24	1.31
Retail	0.16	0.59
Public administration	0.16	1.15
Sport and entertainment	0.20	0.35

Back

Prevalence of homeland security
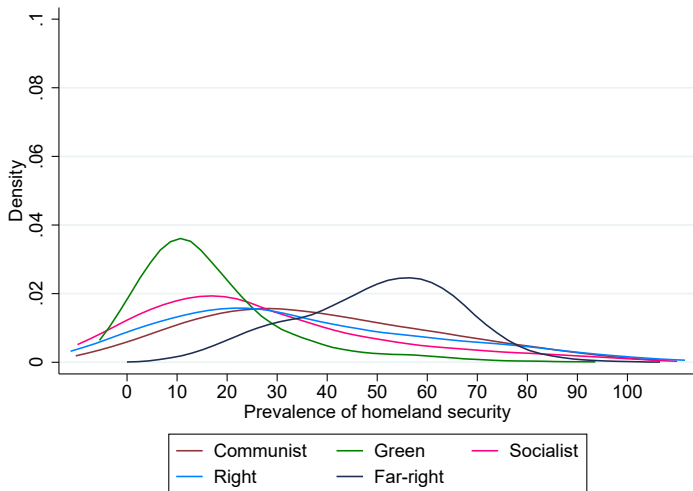
Originality index

- Latent Semantic Indexing (Bertrand et al. 2021).

- Single-value decomposition of Tf-Idf document-term matrix.

- Cosine similarity between document-level dense vectors (200 dimensions).

- Originality index: mean pairwise (negative) similarity between a manifesto and each other manifesto from the same party.

Back

Originality index

Back
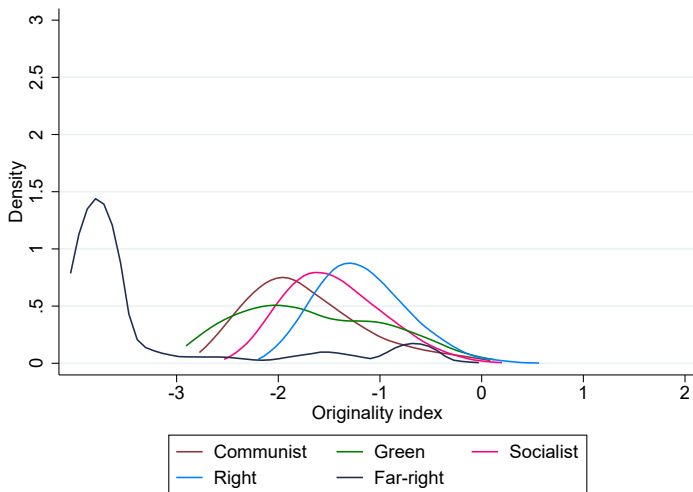
Originality index: illustration

Originality index: far-right original candidate

Candidate revenues in 1993 and 1997

	Spending (cst €)					
	Mean	Median	sd	Min	Max	N
Total spending per candidate						
1993	20,397	10,503	25,369	0	160,756	5,115
1997	14,607	2,257	18,646	0	72,122	5,977
Total revenues						
1993	22,923	10,583	33,326	0	784,482	5,134
1997	14,972	2,441	19,129	0	99,873	5,977
Share corporate donations						
1993	12.87	0.00	24.09	0	100	4,949
1997	0.00	0.00	0.00	0	0	5,094
Share individual donations						
1993	9.50	2.19	16.43	0	100	4,951
1997	13.77	0.02	25.43	0	100	5,094
Share personal contributions						
1993	35.60	15.63	39.47	0	100	4,951
1997	59.96	72.62	39.23	0	100	5,094
Share party contributions						
1993	37.62	20.34	40.05	0	100	4,951
1997	23.70	1.72	33.90	0	100	5,094

Back

Donations to Augustin Bonrepaux

ÉLECTIONS LÉGISLATIVES GÉNÉRALES DES 21 MARS ET 28 MARS 1993

ARIÈGE (1re circonscription)

Plafond de dépenses : 400 000 F

Décision C.C.F.P. du : 12-11-93

Scrutin non contesté

DÉPENSES				RECETTES							NOMS DES CANDIDATS	Décisions C.C.F.P.
Total déclaré	Base R. 39	Réforma-tions	Total retenu	Dons P.P.	Dons P.M.	Apport personnel net	Apport parti net	Autres	Réforma-tions	Total retenu		
248 073	53 602	0	194 471	20 050	42 900	62 485	65 036	4 000	0	194 471	BONREPAUX Augustin	A
83 274	27 421	0	55 853	0	0	41 971	13 882	0	0	55 853	MESPLIE Georges	A
105 781	50 000	0	55 781	0	0	45 781	10 000	0	0	55 781	GARAUD Henri-René	HD
74 411	28 065	0	46 346	2 000	0	33 721	10 625	0	0	46 346	CASSAN Lyliane	A
9 430	0	+300	9 730	0	0	0	9 430	0	+300	9 730	PABERZ Christian	AR
57 069	19 600	0	37 469	200	0	29 634	7 640	0	0	37 474	MATRICON Françoise	A
0	0	0	0	0	0	0	0	0	0	0	CANAL Henri	R

Listes des dons de personnes morales versés à partir du 1er février 1993 (loi n° 93-122 du 29 janvier 1993)

ARIÈGE (1re circonscription)

Augustin BONREPAUX

SA AUTORAMA	1 000 F	KELHETTER RENE	5 000 F
SARL ENT. MARTUCHOU	2 000 F	COLAS MEDITERRANEE	15 000 F
SA EGA	200 F	SOGRAR	5 000 F
		EYCHENNE PIERRE	500 F

[Back]

Corporate donations in 1993
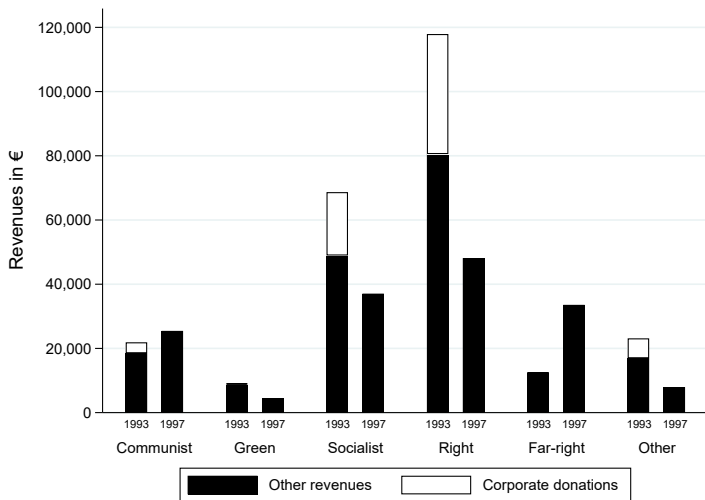
Corporate donations in 1993

	Mean	Median	p75	sd	N
A. Candidates					
Corp. Donations > 0 (%)	0.33	0.00	1	0.47	5,141
# Corp. Donations	2.91	0.00	2.00	6.85	5,141
Corp. Donations (€)	8,075	0	2,067	20,738	5,141
Corp. Donation (euros/voter)	0.12	0.00	0.03	0.32	5,141
% Corp. Donations in total revenue	12.87	0.00	13.88	24.09	4,949
B. Donors					
# Corp. Donations	1.38	1.00	1.00	2.26	10,470
Total Donations (€)	2,857	787	1,968	10,277	10,470
Small donor (%)	0.84	1.00	1.00	0.37	10,470
Multiple donor (%)	0.16	0.00	0.00	0.37	10,470
Single-district donor (%)	0.17	0.00	0.00	0.38	1,658
Multi-district donor (%)	0.83	1.00	1.00	0.38	1,658
Single-party donor (%)	0.28	0.00	1.00	0.45	1,611
Multi-party donor (%)	0.72	1.00	1.00	0.45	1,611
C. Donations					
Donation Value (€)	2,061	984	2,953	2,561	14,483
Donation Value from small donors (€)	1,469	591	1,968	2,175	8,811
Donation Value from multiple donors (€)	2,981	1,968	3,937	2,831	5,672

Back

Largest corporate donors

Donor name	Total donations	# Donations
COLAS	401,368	96
BOUYGUES	314,953	47
SOGEA	312,591	82
SPIE	304,126	59
SAUR	258,852	62
SCREG	244,876	60
SOCIETE DES EAUX	225,782	53
DUMEZ	168,303	35
CAMPENON BERNARD	165,350	38
OMNIUM	163,185	38
VIA TRANSPORT	139,760	31
GTM TP	120,076	23
SAE	119,092	21
SODEXHO	116,926	21
BEUGNET	113,777	31
ESSYS MONTENAY	106,297	25
STREICHENBERGER	101,966	26
JEAN LEFEBVRE	92,763	41
SUPAE	90,549	14
MONOPRIX	87,990	18

Back

Number of donations by sectors
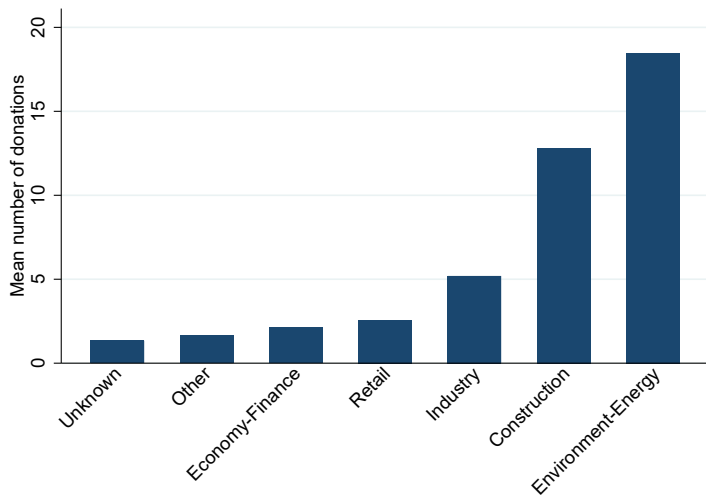
Mean donation by sectors
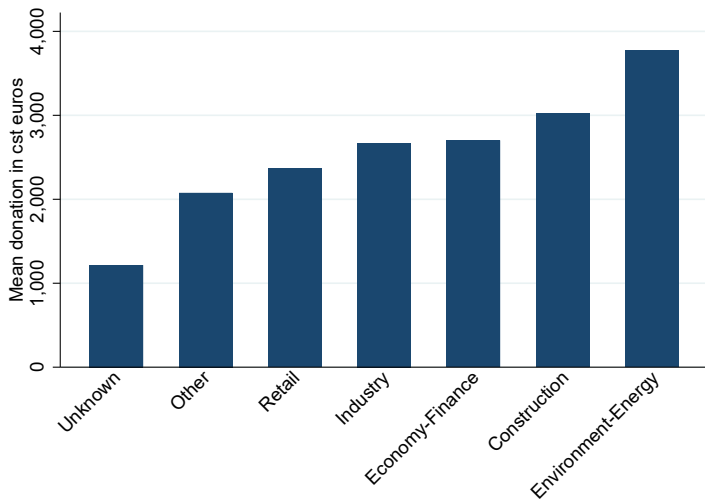
District-level determinants of corporate donations
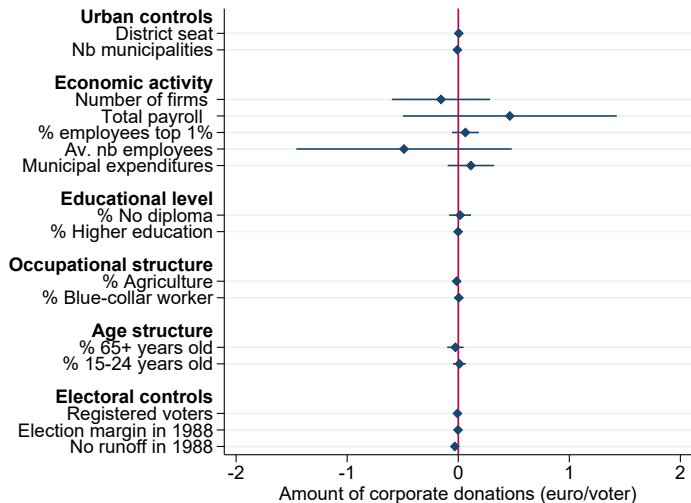
Donations in 1988: example from 15 departments
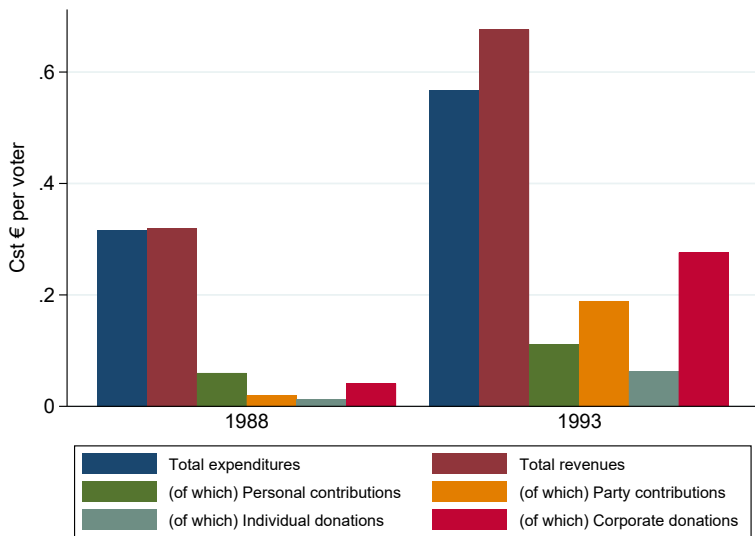
Party×department pre-trends before 1988
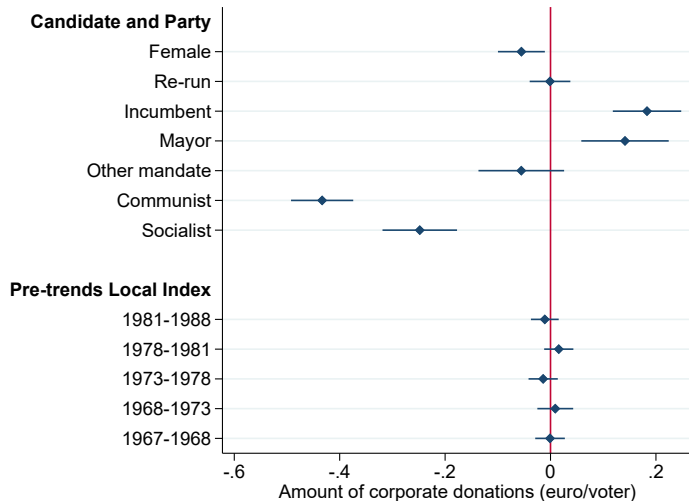
Robust impact on local index

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Corp.Don.	-0.158***				-0.269***	-0.154***	-0.157***	-0.133***	-0.139***	-0.092***
	(0.032)				(0.055)	(0.040)	(0.029)	(0.029)	(0.027)	(0.022)
Log Corp.Don.		-0.179***								
		(0.031)								
Receiving any Corp.Don.			-0.231***							
			(0.078)							
Number of Corp.Don.				-0.022***						
				(0.005)						
Corp.Don.^{2}					-0.021***					
					(0.008)					
Observations	2602	2602	2602	2602	2602	2602	2602	2602	2602	5430
Mean outcome before ban	-0.652	-0.652	-0.652	-0.652	-0.652	-0.652	-0.652	-0.652	-0.652	-0.793
R2-Within	0.031	0.033	0.015	0.029	0.033	0.037	0.056	0.046	0.024	0.012
Candidate FE	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Party*Year FE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
District*Year FE							✓			
Party*District FE										✓
Main controls	✓	✓	✓	✓	✓	✓	✓			✓
District controls							✓			
Controls*Year FE								✓		
Contributions1988*Year FE									✓	
Larger clusters	✓									

Back

Nearest-neighbor matching

	Local index		Local references		National references	
	(1)	(2)	(3)	(4)	(5)	(6)
ATE						
r1vs0.Corporate donations	-0.153	-0.230*	-0.156	-0.440**	0.284	0.184
	(0.146)	(0.139)	(0.208)	(0.187)	(0.278)	(0.267)
Match on candidate characteristics	✓	✓	✓	✓	✓	✓
Match on district characteristics		✓		✓		✓
Observations	1,301	1,301	1,301	1,301	1,301	1,301

Back

Sample selection

	Mean included	N included	Mean excluded	N excluded	Diff	p-value
Female	0.14	1,414	0.22	3,668	-0.08	0.00
Re-run	0.41	1,414	0.15	3,668	0.26	0.00
Incumbent	0.19	1,414	0.04	3,668	0.15	0.00
Mayor	0.07	1,414	0.02	3,668	0.05	0.00
Other mandates	0.04	1,414	0.02	3,668	0.02	0.00
Revenues (euro/voter)	0.54	1,414	0.27	3,668	0.28	0.00
Corp.Don. (euro/voter)	0.22	1,414	0.08	3,668	0.14	0.00
Indiv.Don. (euro/voter)	0.06	1,414	0.03	3,668	0.03	0.00
Personal.contrib. (euro/voter)	0.09	1,414	0.07	3,668	0.02	0.00
Party.contrib (euro/voter)	0.14	1,414	0.07	3,668	0.07	0.00

Back

Corporate donations and sample selection

	Candidate in next election	Manifesto available	Party in next election
	(1)	(2)	(3)
Corporate donations	0.026**	-0.003	0.001
	(0.011)	(0.008)	(0.003)
Observations	5082	1713	3446
Mean outcome before ban	0.337	0.256	0.871
R2-Within	0.028	0.011	0.007

Back

Heterogeneity by candidate type

	Local index	Local references	National references
	(1)	(2)	(3)
Corporate donations (loss)	-0.176***	-0.344***	0.110
	(0.056)	(0.111)	(0.091)
Corp.Don.*Female	0.041	0.025	-0.090
	(0.086)	(0.146)	(0.161)
Corp.Don.*Re-run	0.117	0.239	-0.097
	(0.092)	(0.180)	(0.149)
Corp.Don.*Incumbent	-0.057	-0.046	0.113
	(0.082)	(0.145)	(0.146)
Corp.Don.*Mayor	0.014	-0.038	-0.059
	(0.075)	(0.132)	(0.140)
Corp.Don.*Other mandates	-0.133*	-0.227*	0.087
	(0.077)	(0.118)	(0.196)
Observations	2602	2602	2602
Mean outcome before ban	-0.652	1.375	3.031
R2-Within	0.041	0.032	0.013

Back

Heterogeneity by party

	Local index	Local references	National references	Left-right score	Extremeness	Originality index	National party references
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Communist*Corp.Don.	-0.107	-0.220	0.093	-0.005	0.020	-0.037	0.044
	(0.076)	(0.176)	(0.090)	(0.015)	(0.015)	(0.049)	(0.037)
Green*Corp.Don.	-3.466***	-0.860***	7.395***	-0.532***	0.521***	-1.203***	5.374***
	(0.373)	(0.304)	(0.883)	(0.097)	(0.108)	(0.287)	(0.807)
Socialist*Corp.Don.	-0.142***	-0.198**	0.157*	-0.012	0.008	0.031	0.087**
	(0.049)	(0.091)	(0.081)	(0.009)	(0.008)	(0.025)	(0.039)
Right*Corp.Don.	-0.115***	-0.198***	0.067	-0.003	0.002	-0.035**	-0.006
	(0.038)	(0.063)	(0.080)	(0.006)	(0.006)	(0.017)	(0.042)
Far-right*Corp.Don.	-0.475	-1.304***	-0.115	0.449	0.489	0.285	-1.174
	(0.607)	(0.310)	(1.474)	(0.539)	(0.538)	(0.992)	(0.768)
Other*Corp.Don.	-0.248*	-0.534***	0.112	-0.001	0.058***		
	(0.142)	(0.195)	(0.294)	(0.022)	(0.020)		
Observations	2602	2602	2602	2602	2602	2096	2096
Mean outcome	-0.652	1.375	3.031	-0.037	0.861	-1.840	0.911
R2-Within	0.040	0.029	0.014	0.008	0.013	0.006	0.008

Back

Impact on narrow policy topics

Effect on standardized topic prevalence
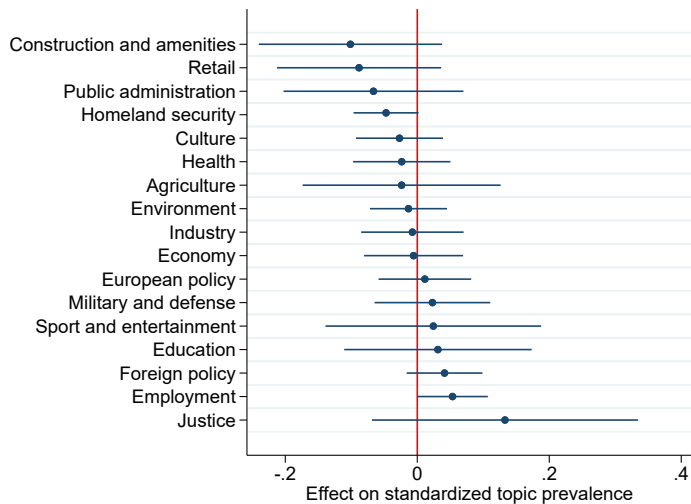
Impact on policy topics by party type

	Economic policy	Social policy	Homeland and administration	Foreign policy
	(1)	(2)	(3)	(4)
Mainstream*Corp.Don.	-0.854	1.123*	-1.045*	0.239*
	(0.560)	(0.607)	(0.581)	(0.133)
Niche*Corp.Don.	-27.123	25.740*	-24.160*	3.822
	(29.322)	(15.057)	(14.609)	(2.744)
Other*Corp.Don.	-6.810***	4.345*	0.306	0.806
	(2.399)	(2.505)	(2.143)	(0.829)
Observations	2602	2602	2602	2602
Mean outcome before ban	23.507	36.203	19.243	4.244
R2-Within	0.021	0.013	0.008	0.010

Back

Impact on manifesto quality

	Manifesto length	Personal references	Topic concentration
	(1)	(2)	(3)
Corporate donations (loss)	-0.662	-0.007	-0.006
	(2.569)	(0.045)	(0.005)
Observations	2606	2602	2602
Mean outcome	266.520	1.398	0.356
R2-Within	0.004	0.006	0.008

Back

Impact on local index by donor type

	Local index		
	(1)	(2)	(3)
Corp.Don from: small donors	-0.064*	-0.062*	-0.073**
	(0.037)	(0.036)	(0.037)
Corp.Don from: multiple donors	-0.031		
	(0.029)		
Corp.Don from: multi-district donors		-0.020	
		(0.029)	
Corp.Don from: single-district donors		-0.067**	
		(0.029)	
Corp.Don from: one-party donors			0.022
			(0.032)
Corp.Don from: multi-party donors			-0.034
			(0.026)
Observations	2602	2602	2602
Mean outcome before ban	-0.652	-0.652	-0.652
R2-Within	0.031	0.034	0.031

Back

Impact on local prevalence by donor sector

	Local index	Local references	National references
	(1)	(2)	(3)
Corp.Don from: other sectors	0.006	-0.053	-0.066
	(0.028)	(0.053)	(0.044)
Corp.Don from: construction	-0.003	0.014	0.013
	(0.029)	(0.054)	(0.054)
Corp.Don from: economy	-0.001	-0.024	-0.017
	(0.033)	(0.058)	(0.051)
Corp.Don from: environment	-0.043	-0.100**	0.011
	(0.029)	(0.050)	(0.053)
Corp.Don from: industry	-0.000	-0.002	0.008
	(0.029)	(0.053)	(0.054)
Corp.Don from: retail	0.021	-0.050	-0.109**
	(0.029)	(0.057)	(0.045)
Corp.Don from: unknown	-0.090**	-0.120	0.107*
	(0.044)	(0.084)	(0.062)
Observations	2602	2602	2602
Mean outcome	-0.652	1.375	3.031
R2-Within	0.036	0.032	0.017

Back

Legislative activity and discourse

- French MPs hold a national mandate and have little control over local public finance (e.g. allocation of public contracts).
- But they can exert (unobserved) influence on public officials and public opinion.
- We scrape the content of MPs' written questions to the government and interventions in legislative debates from 1993 to 2002.
- Do corporate donations push elected MPs to talk more about local issues?

Back

Impact on discourse once elected

- Written questions to the government:

	Number of questions	Local index	Local references	National references	Left-right score	Extremeness
	(1)	(2)	(3)	(4)	(5)	(6)
Corporate donations (loss)	4.593	-0.079*	0.015	0.050**	0.052	0.060
	(6.569)	(0.047)	(0.010)	(0.024)	(0.043)	(0.043)
Observations	416	416	416	416	416	416
Mean outcome	113.731	-0.880	0.188	0.708	0.812	1.224
R2-Within	0.028	0.056	0.067	0.047	0.028	0.026

- Interventions in public debates:

	Number of interventions	Local index	Local references	National references	Left-right score	Extremeness
	(1)	(2)	(3)	(4)	(5)	(6)
Corporate donations (loss)	-2.510	0.056	0.034	-0.071	0.029	0.013
	(3.450)	(0.049)	(0.027)	(0.098)	(0.029)	(0.024)
Observations	356	354	354	354	354	354
Mean outcome	27.674	-1.876	0.241	3.832	0.985	0.995
R2-Within	0.049	0.021	0.011	0.017	0.028	0.014

Back Campaign stage Policy topics

Subsample of elected candidates

	Local index	Local references	National references	Left-right score	Extremeness
	(1)	(2)	(3)	(4)	(5)
Corporate donations (loss)	-0.099**	-0.163**	0.065	-0.011	0.000
	(0.045)	(0.077)	(0.089)	(0.008)	(0.008)
Observations	448	448	448	448	448
Mean outcome before ban	-0.163	2.221	2.629	0.079	0.241
R2-Within	0.047	0.041	0.013	0.027	0.010

Back

Impact on policy topics once elected

- Written questions to the government:

	Economic policy	Social policy	Homeland and administration	Foreign policy
	(1)	(2)	(3)	(4)
Corporate donations (loss)	-0.874	-0.107	0.954	0.023
	(0.926)	(1.013)	(0.786)	(0.014)
Observations	416	416	416	416
Mean outcome	40.469	44.157	9.945	0.179
R2-Within	0.055	0.045	0.052	0.018

- Interventions in public debates:

	Economic policy	Social policy	Homeland and administration	Foreign policy
	(1)	(2)	(3)	(4)
Corporate donations (loss)	2.438*	-2.026	0.688	-0.607
	(1.472)	(1.715)	(1.187)	(0.827)
Observations	352	352	352	352
Mean outcome	36.023	26.555	14.473	7.076
R2-Within	0.034	0.026	0.019	0.057

Back